DRAFT RED HERRING PROSPECTUS
Dated September 28, 2021
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read section 32 of the Companies Act, 2013
Book Built Offer

WAAREE
One with the Sun

WAAREE ENERGIES LIMITED

Waaree Energies Limited (our **"Company"** or the "**Issuer**") was originally incorporated as 'Anmol Fluid Connectors Private Limited' at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated December 18, 1990, issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). The name of our Company was changed to 'Waaree Solar Private Limited', pursuant to a fresh certificate of incorporation issued by the RoC on April 25, 2007. The name of our Company was further changed to 'Waaree Energies Priave Limited', pursuant to a fresh certificate of incorporation issued by the RoC on October 15, 2007. The name of our Company was further changed to 'Waaree Energies Private Limited', pursuant to a fresh certificate of incorporation issued by the RoC on December 12, 2007. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders held on March 8, 2013, and consequently the name of our Company was changed to its present name i.e., 'Waaree Energies Limited', pursuant to a fresh certificate of incorporation issued by the RoC on May 2, 2013. For details of registered office of our Company, see "*History and Certain Corporate Matters*" on page 190.

Corporate Identity Number: U29248MH1990PLC059463
Registered and Corporate Office: 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai - 400 066, Maharashtra, India; **Telephone:** +91 22 6644 4444;
Contact Person: Kirankumar Jain, Company Secretary and Compliance Officer; **Telephone**: +91 22 6644 4415; **E-mail:** investorgrievance@waaree.com; **Website**: www.waaree.com

OUR PROMOTERS: HITESH CHIMANLAL DOSHI, VIRENKUMAR CHIMANLAL DOSHI AND MAHAVIR THERMOEQUIP PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹[●]* PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●]* PER EQUITY SHARE)("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION ("OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹13,500 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 4,007,500 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹[●] MILLION, COMPRISING UP TO 1,315,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY HITESH CHIMANLAL DOSHI, UP TO 1,315,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY VIRENKUMAR CHIMANLAL DOSHI, UP TO 1,315,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY MAHAVIR THERMOEQUIP PRIVATE LIMITED ("PROMOTER SELLING SHAREHOLDERS"), UP TO 40,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY SAMIR SURENDRA SHAH AND UP TO 22,500 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY NILESH GANDHI JOINTLY WITH DRASTA GANDHI ("OTHER SELLING SHAREHOLDERS" AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS" AND SUCH OFFER, THE "OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE [●]% AND [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A FURTHER ISSUE OF SPECIFIED SECURITIES THROUGH A PREFERENTIAL ISSUE OR ANY OTHER METHOD AS MAY BE PERMITTED IN ACCORDANCE WITH APPLICABLE LAW TO ANY PERSON(S), AGGREGATING UP TO ₹2,700 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE FRESH ISSUE SIZE WILL BE REDUCED TO THE EXTENT OF SUCH PRE-IPO PLACEMENT, SUBJECT TO THE NET OFFER COMPLYING WITH RULE 19(2)(B) OF THE SCRR.

THE PRICE BAND, THE RUPEE AMOUNT OR DISCOUNT, IF ANY TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT") AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").
OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BRLMS, MAY OFFER A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid /Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, up to [●] Equity Shares aggregating to ₹[●] million will be available for allocation to Eligible Employees, subject to valid Bids being received at or above the Offer Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (as defined hereinafter), and UPI ID in case of RIIs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" on page 389.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10. The Offer Price, Floor Price or the Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders severally, and not jointly, accepts responsibility for and confirms that the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to itself and its portion of the Equity Shares offered by it in the Offer for Sale, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholders, severally and not jointly, assume no responsibility for any other statements, including, *inter alia*, any of the statements made by or relating to our Company or any other Selling Shareholder.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 440.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
AXIS CAPITAL	HSBC	ICICI Securities	Intensive	LINKIntime
Axis Capital Limited 1st Floor, Axis House C-2 Wadia International Center Pandurang Budhkar Marg, Worli Mumbai – 400 025 Maharashtra, India **Telephone**: +91 22 4325 2183 **E-mail**: waaree.ipo@axiscap.in **Investor grievance e-mail**: complaints@axiscap.in **Website**: www.axiscapital.co.in **Contact person**: Sagar Jatakiya/ Pavan Naik **SEBI registration no.**: INM000012029	**HSBC Securities and Capital Markets (India) Private Limited** 52/60, Mahatma Gandhi Road Fort, Mumbai – 400001 Maharashtra, India **Telephone**: +91 22 2268 5555 **E-mail**: waareeipo@hsbc.co.in **Investor grievance e-mail**: investorgrievance@hsbc.co.in **Website**:https://www.business.hsbc.co.in/en-gb/in/generic/ipo-open-offer-and-buyback **Contact person**: Vinod Nagappan / Sanjana Maniar **SEBI registration no.**: INM000010353	**ICICI Securities Limited** ICICI Venture House Appasaheb Marathe Marg Prabhadevi Mumbai - 400 025 Maharashtra, India **Telephone**: +91 22 6807 7100 **E-mail**: waaree.ipo@icicisecurities.com **Investor grievance e-mail**: customercare@icicisecurities.com **Website**: www.icicisecurities.com **Contact person**: Anurag Byas **SEBI registration no.**: INM000011179	**Intensive Fiscal Services Private Limited** 914, Raheja Chambers Free Press Journal Marg Nariman Point Mumbai - 400 021 Maharashtra, India **Telephone:** +91 22 2287 0443 **E-mail:** waaree.ipo@intensivefiscal.com **Investor grievance e-mail:** ipo@intensivefiscal.com **Website:** www.intensivefiscal.com **Contact person:** Harish Khajanchi/Anand Rawal **SEBI registration no.:** INM000011112	**Link Intime India Private Limited** C-101, 247 Park LBS Marg, Surya Nagar Gandhi Nagar Vikhroli (West) Mumbai - 400 083 Maharashtra, India **Telephone**: +91 22 4918 6200 **E-mail**: waaree.ipo@linkintime.co.in **Investor grievance e-mail**: waaree.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact person**: Shanti Gopalkrishnan **SEBI registration number**: INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENS ON	[●]*		BID/OFFER CLOSES ON	[●]**

**Our Company and the Promoter Selling Shareholders in consultation with the BRLMs may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
***Our Company and the Promoter Selling Shareholders in consultation with the BRLMs may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rule guidelines or policy as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

Unless the context otherwise indicates, all references to "the Company", and "our Company", are references to Waaree Energies Limited, a public limited company incorporated in India under the Companies Act 1956. Furthermore, unless the context otherwise indicates, all references to the terms "we", "us" and "our" are to our Company, our Subsidiaries and our Associate (as defined below) on a consolidated basis. The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Description of Equity Shares and Terms of the Articles of Association", "Statement of Special Tax Benefits", "Industry Overview", "Basis for the Offer Price", "Key Regulations and Policies in India", "Restated Consolidated Financial Statements" and "Outstanding Litigation and Material Developments", on pages 411, 111, 116, 109, 183, 235 and 358 will have the meaning ascribed to such terms in those respective sections.

Company and Selling Shareholder related terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended
Associate	Shalibhadra Energies Private Limited
Audit Committee	Audit committee of our Company, described in "*Our Management*" on page 205
Auditors/ Statutory Auditors	Statutory auditors of our Company, being Shah Gupta & Co, Chartered Accountants
Azure	Azure Power India Private Limited
Board/ Board of Directors	The board of directors of our Company, as constituted from time to time
Chairman and Managing Director	The chairman and managing director of our Company, Hitesh Chimanlal Doshi
Chief Executive Officer	Chief executive officer of our Company, Vivek Srivastava
Chief Financial Officer/ CFO	Chief financial officer of our Company, Hitesh Pranjivan Mehta
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Kirankumar Jain
CSR Committee/ Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, described in "*Our Management*" on page 205
Director(s)	The director(s) on our Board
ESOP Scheme	Waaree Energies Limited – Employee Stock Option Plan 2021
Equity Shares	The equity shares of our Company of face value of ₹10 each
Executive Director(s)	Executive directors of our Company, Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Hitesh Pranjivan Mehta
Group Companies	The company(ies) identified as 'group companies' in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations, as disclosed in "*Group Companies*" on page 230
Independent Directors	Independent directors of our Company, namely, Sujit Kumar Varma, Rajender Mohan Malla, Jayesh Dhirajlal Shah and Richa Manoj Goyal
IPO Committee	The IPO committee of our Board constituted to facilitate the Offer
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as further described in "*Our Management-Key Managerial Personnel*" on page 222
Materiality Policy	The policy adopted by our Board on September 17, 2021, for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c)

Term	Description
	creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, described in "*Our Management*" on page 205
Non-Executive Director	A Director not being an Executive Director of our Company
Other Selling Shareholders	Samir Surendra Shah and Nilesh Gandhi jointly with Drasta Gandhi
Project Report	The report dated September 19, 2021 certified by Oriens Advisors LLP, an independent advisory firm
Project Consultant	Oriens Advisors LLP, the project consultant appointed by our Company for purposes of certifying certain details in relation to the capital expenditure proposed to be incurred by our Company from the Net Proceeds
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 225
Promoters	The Promoters of our Company, being Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Mahavir Thermoequip Private Limited. For details, see "*Our Promoters and Promoter Group*" on page 225
Promoter Selling Shareholders	Collectively, Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Mahavir Thermoequip Private Limited
Registered and Corporate Office	The registered and corporate office of our Company, situated at 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India
Restated Consolidated Financial Statements	The restated consolidated financial information of our Company together with its subsidiaries and associate, which comprises of the restated consolidated summary statements of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, and the restated consolidated summary statement of profit and loss (including other comprehensive income), cash flows and changes in equity for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, together with the summary of significant accounting policies and explanatory information thereon, derived from the audited consolidated financial statements of the Company together with its subsidiaries and associate, as at March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS, as per the Ind AS Rules notified under Section 133 of the Companies Act 2013, and restated in accordance with the requirements of Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the ICAI Guidance Note, and included in "*Financial Statements*" on page 235
Risk Management Committee	The risk management committee of our Company, described in "*Our Management*" on page 205
RoC/Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Shareholders	The holders of the Equity Shares from time to time.
Solar Cell Facility	2 GW per annum solar cell manufacturing facility
Solar Module Facility	1 GW per annum solar PV module manufacturing facility
Special Purpose Audit	The special purpose audit of the financial statements of our Company conducted by the Statutory Auditors for the year ended March 31, 2021, on a consolidated basis, in accordance with Ind AS and the 'Standards on Auditing' specified under applicable law
Stakeholders Relationship Committee	The stakeholders' relationship committee of our Company, described in "*Our Management*" on page 205
Subsidiaries	The subsidiaries of our Company as on the date of this Draft Red Herring Prospectus, namely (i) Waaree Power Private Limited; (ii) Waaneep Solar One Private Limited; (iii) Sangam Solar One Private Limited; (iv) Sangam Solar Two Private Limited; (v) Sangam Solar Three Private Limited; (vi) Sangam Solar Four Private Limited; (vii) Blue Rays Solar Private Limited; (viii) Rasila International Pte. Limited; (ix) Waaree Renewable Technologies Limited; (x) Waaree Solar Americas Inc.; (xi) Sangam Rooftop Solar Private Limited; (xii) Waasang Solar Private Limited; (xiii) Waaree PV Technologies Private Limited; and (xiv) Waasang Solar One Private Limited. For further details see, *"Our Subsidiaries"* on page 195

Term	Description
Selling Shareholders	Collectively, the Promoter Selling Shareholders and Other Selling Shareholders
Whole-time Director(s)	Whole-time directors of our Company, Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Hitesh Pranjivan Mehta

Offer related terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs on the Anchor Investor Bidding Date
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIIs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual

Term	Description
	Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Offer Account Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 389
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid in the Offer, as applicable However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be the Cap Price net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Marathi daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located). In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●], a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located).
Bid/ Offer Period	Except in relation to Bid by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring

Term	Description
	Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLMs	The book running lead managers to the Offer namely, Axis, HSBC, I-SEC and Intensive
Broker Centres	Broker centres of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that Retail Individual Investors may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, Syndicate Members, and Banker(s) to the Offer, inter alia, for the appointment of Sponsor Bank, in accordance with the UPI Circulars, for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations as per the list available on the websites of BSE and NSE
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors and Eligible Employees Bidding under the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, PAN, DP and Client ID, occupation and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as applicable, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by Retail Individual Investors (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.

Term	Description
	In relation to ASBA Forms submitted by Retail Individual Investors (Bidding using the UPI Mechanism) where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and CRTAs. In relation to ASBA Forms submitted by QIBs and NIIs, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and CRTAs
Designated RTA Locations	Such locations of the CRTAs where Bidders can submit the ASBA Forms to CRTAs. The details of such Designated CRTA Locations, along with names and contact details of the CRTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction. Do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated September 28, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer including any addenda or corrigenda thereto
Eligible Employee	(i) a permanent employee of our Company and/ or Subsidiaries working in India or out of India; or (ii) a director of our Company and/ or Subsidiaries, whether whole-time or not, as on the date of the filing of the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or any of our Subsidiaries or be our Director(s), as the case may be until the submission of the Bid cum Application Form, but excludes: (a) an employee who is the Promoter or belongs to the Promoter Group; (b) a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of outstanding Equity Shares of our Company; and (c) an independent director. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion will be available for allocation and Allotment, proportionately to Eligible Employees Bidding in the Employee Reservation Portion who have Bid in excess of ₹200,000, subject to maximum value of Allotment to such Eligible Employee not exceeding ₹500,000.
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Employee Discount	Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees and which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares aggregating up to ₹[●] million, available for allocation to Eligible Employees, on a proportionate basis. Such portion shall not exceed 5% of the post-Offer equity share capital of our Company.
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being [●]

Term	Description
First Bidder or Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of up to [●] Equity Shares by our Company, at ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹13,500 million
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI
HSBC	HSBC Securities and Capital Markets (India) Private Limited
ISEC	ICICI Securities Limited
Intensive	Intensive Fiscal Services Private Limited
June 2021 Circular	SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021
March 2021 Circular	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement to be entered into between our Company and the Monitoring Agency, as applicable
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Investors/ NIIs	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares for cash at a price of ₹[●] each, aggregating up to ₹[●] million comprising the Fresh Issue and the Offer for Sale. The Offer comprises the Net Offer and Employee Reservation Portion Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer complying with Rule 19(2)(b) of the SCRR
Offer Agreement	The agreement dated September 28, 2021 amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The Offer for Sale of up to 1,315,000 Equity Shares by Hitesh Chimanlal Doshi aggregating up to ₹[●] million, up to 1,315,000 Equity Shares by Virenkumar

Term	Description
	Chimanlal Doshi aggregating up to ₹[●] million, up to 1,315,000 Equity Shares by Mahavir Thermoequip Private Limited aggregating up to ₹[●] million, up to 40,000 Equity Shares by Samir Surendra Shah aggregating up to ₹[●] million and up to 22,500 Equity Shares by Nilesh Gandhi jointly with Drasta Gandhi aggregating up to ₹[●] million
Offer Price	₹[●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus. A discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees Bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs
Offered Shares	The cumulative number of Equity Shares being offered by the Selling Shareholders in the Offer for Sale comprising an aggregate of up to 4,007,500 Equity Shares aggregating up to ₹[●] million
Pre-IPO Placement	A further issue of specified securities, through a preferential offer or any other method as may be permitted in accordance with applicable law, aggregating up to ₹2,700 million, which may be undertaken by our Company, in consultation with the BRLMs, prior to the filing of the Red Herring Prospectus with the RoC
Price Band	Price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi also being the regional language of Maharashtra, where our Registered and Corporate Office is situated) at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company and the Promoter Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
QIB Category/ QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer, consisting of [●] Equity Shares aggregating to ₹[●] million which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered

Term	Description
	and the size of the Offer including any addenda or corrigenda thereto The Bid/Offer Opening Date shall be at least three Working Days after the filing of the Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The bank(s) which are clearing members registered with SEBI with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated September 16, 2021 among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer
Registrar to the Offer/ Registrar	Link Intime India Private Limited
Retail Individual Investors(s)/ RII(s)/RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Net Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares aggregating to ₹[●] million, which shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations (subject to valid Bids being received at or above the Offer Price)
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
Self-Certified Syndicate Bank(s)/ SCSB(s)	The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]

Term	Description
Share Escrow Agreement	Agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form
Sponsor Bank	The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIIs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Syndicate Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the BRLMs, the Registrar to the Offer and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●]
Syndicate/members of the Syndicate	Together, the BRLMs and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, March 2021 Circular, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, June 2021 Circular and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the Retail Individual Investor, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the Retail Individual Investor to such UPI linked mobile application) to the Retail Individual Investor using the UPI Mechanism initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by Retail Individual Investors to make Bids in the Offer in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Conventional and general terms and abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
A/c	Account
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996
Depository or Depositories	NSDL and CDSL
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS	Earnings per share
EUR/ €	Euro
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross domestic product
GoI	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India

Term	Description
IT	Information technology
MCA	Ministry of Corporate Affairs, Government of India.
Mn/ mn	Million
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
NEFT	National electronic fund transfer
Non-Resident	A person resident outside India, as defined under FEMA
No.	Number
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RONW	Return on net worth
RTGS	Real time gross settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The *erstwhile* Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations

Term	Description
State Government	Government of a state of India
US GAAP	Generally Accepted Accounting Principles in the USA
USA/ U.S. / US	The United States of America
USD / US$	United States Dollars
U.S. Securities Act	United States Securities Act of 1933, as amended
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Technical and Industry Related Terms

Term	Description
ALMM	Approved List of Models and Manufacturers
APPC	Average power purchase cost
BCD	Basic customs duty
BIPV	Building Integrated Photovoltaic
CPSU	Central Public Sector Undertaking
CRMM	Common risk mitigation mechanism
DCR	Domestic content requirement
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana
Discoms	State power distribution utilities
EPC	Engineering, procurement and construction
EV	Electric vehicles
FiT	Feed-in tariff
GEC	Green energy corridor
GHG	Greenhouse gases
GVA	Gross value added
GVAM	Gigavolt ampere
GW	Gigawatt
HV	High voltage
IPP	Independent power producer
ISA	International Solar Alliance
kW	Kilowatt
kWh	Kilowatt per hour
kWp	Kilowatt peak
Mono PERC	Monocrystalline passivated emitter and rear cell
MNRE	Ministry of New and Renewable Energy
MSME	Micro, small and medium enterprises
MW	Megawatt
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAPCC	National Action Plan on Climate Change
NCEF	National Clean Energy Fund
NDC	Nationally Determined Contributions
NEMMP	National Electric Mobility Mission Plan
NISE	National Institute of Solar Energy
NSM	National Solar Mission
NSO	National Statistical Office
NTP	National Tariff Policy
NVVN	NTPC Vidyut Vyapar Nigam Limited
O&M	Operations and Maintenance
PLI Scheme	Production Linked Incentive Scheme
PSU	Public Sector Undertaking
PV	Photovoltaic
RE	Renewable Energy
REC	Renewable Energy Certificate
RESC	Renewable energy service companies
REZ	Renewable Energy Zone

Term	Description
RPO	Renewable purchase obligations
SAP	Systems Applications and Products in Data Processing
SEZ	Special Economic Zone
SECI	Solar Energy Corporation of India
SGD	Safeguard duty
SIDS	Small Island Developing States
SME	Small and medium enterprises
T&D	Transmission and distribution
UNFCCC	United Nations Framework Convention for Climate Change
UV	Ultraviolet
VGF	Viability Gap Funding

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references herein to the "US", the "U.S." or the "United States" are to the United States of America. All references herein to "EU", the "European Union" are to the 27 member countries that are a part of the European Union.

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus are derived from our Restated Consolidated Financial Statements. For further information, see "*Financial Information*" on page 235.

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year/Financial Year are to the year ended on March 31, of that calendar year. Certain other financial information pertaining to our Group Companies are derived from their respective audited financial statements.

The Restated Consolidated Financial Statements of our Company, along with our Subsidiaries and Associate, comprises of the restated consolidated statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019; the restated consolidated statement of profit and loss (including other comprehensive income); the restated consolidated cash flow statement for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019; the statement of significant accounting policies, and other explanatory information derived from the audited consolidated financial statements of the Company as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 (as described below) and have been prepared in accordance with Ind AS and restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "*Reports in Company Prospectuses (Revised 2019)*" issued by the ICAI.

Further, our subsidiary, Waaree Renewable Technologies Limited ("**WRTL**") has its equity shares listed on BSE. In accordance with the SEBI Listing Regulations, WRTL has prepared and disclosed select financial information for the three month period ended June 30, 2021, which are unaudited and are subjected to a limited review. Such financial information is available on the website of BSE at www.bseindia.com and has not been included in this Draft Red Herring Prospectus.

The Statutory Auditors have undertaken a special purpose audit of the financial statements of our Company for the year ended March 31, 2021, on a consolidated basis, in accordance with Ind AS and the 'Standards on Auditing' specified under applicable law. The Special Purpose Audit was undertaken specifically for the purposes of the Offer and also in order to allow the Statutory Auditors to prepare the Restated Consolidated Financial Statements as the Auditor was appointed on July 27, 2021.

Further, SGCO and Co. LLP, the erstwhile statutory auditor of our Company, had audited the consolidated financial statements of our Company, in accordance with Ind AS, as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019. SGCO and Co. LLP had retired as the statutory auditor of the Company on July 27, 2021, on completion of term, in accordance with the requirement of Section 139 of the Companies Act, 2013.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our

Company’s financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*” on page 64. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 29, 165 and 322, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Consolidated Financial Statements.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Non-GAAP Financial Measures

Certain non-GAAP and certain other statistical information relating to our operations and financial measures relating to our financial performance such as, EBITDA, net worth and net asset value per share have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Although such Non-GAAP financial measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company’s operating performance.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “*Solar Power Market in India*” dated September 2021 prepared by CRISIL (“**CRISIL Report**”) and publicly available information as well as other industry publications and sources. The CRISIL Report and its excerpts as used for this Draft Red Herring Prospectus, has been exclusively commissioned and paid for by our Company specifically in connection with the Offer. The CRISIL Report is subject to the following disclaimer:

“CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Waaree Energies Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL Ratings Limited / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report

are that of CRISIL Research and not of CRISIL Ratings Limited / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Given the scope and extent of the CRISIL Report, disclosures are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in this Draft Red Herring Prospectus. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodology in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors - Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate"* on page 54. Further, neither the Company, nor its Subsidiaries, Promoters or Directors nor the BRLMs appointed in relation to the Offer are "related parties" as defined under Section 2(76) of the Companies Act, 2013, of CRISIL Limited.

Currency and Units of Presentation

All references to "*Rupees*" or "*₹*" or "*Rs.*" are to Indian Rupees, the official currency of the Republic of India.

All references to "*U.S.$*", "*U.S. Dollar*", "*USD*" or "*U.S. Dollars*" are to United States Dollars, the official currency of the United States of America.

All references to "*€*" or "*EUR*" are to the Euro, which is the official currency of the European Union.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in million. In this regard, please note: (a) one million is equal to 1,000,000/10 lakhs; and (b) 10 million is equal to 10,000,000/100 lakhs/ one crore.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates for the periods indicated are provided below.

(in ₹)

Currency	**Exchange rate as on**		
	March 31, 2021	**March 31, 2020**	**March 31, 2019***
1 USD	73.50	75.39	69.17
1 EUR	86.10	83.05	77.70

Source: www.rbi.org.in and www.fbil.org.in
** Exchange rate as on March 29, 2019, as March 30, 2019 being a Saturday and March 31, 2019 being a Sunday.*

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity

Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "**U.S. QIBs**") in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "will continue", "seek to", "will achieve", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Our business being dependent on the demand for solar power products as well as favourable government policies, any decrease in demand for such products or change in governmental policies.

- Restrictions on or import duties relating to materials and equipment imported for our manufacturing operations as well as restrictions on or import duties levied on our products in our export markets.

- Any disruptions in the supply or availability of materials and components of the appropriate quality standards and fluctuation in their prices.

- Lack of sufficient financial or other resources *vis-à-vis* our competitors to maintain or improve our competitive position.

- Under-utilization of manufacturing capacities or an inability to effectively utilize our expanded manufacturing capacities.

For a further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" on pages 29, 165 and 322, respectively. By their nature, certain market risk disclosures are estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Neither our Company, the Directors, the Selling Shareholders, nor the Book Running Lead Managers, or the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and each of the Selling Shareholders (in respect of statements/ disclosures made by them in this Draft Red Herring Prospectus) with respect to themselves and the Equity Shares offered by them in the Offer shall, severally and not jointly, ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the date of Allotment.

SUMMARY OF THIS OFFER DOCUMENT

This section is a general summary of the terms of Offer, certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "*Risk Factors*", "*Industry Overview*", "*Our Business*", "*Capital Structure*", "*The Offer*", "*Restated Consolidated Financial Statements*", "*Objects of the Offer*" "*Our Promoters and Promoter Group*", "*Management's Discussions and Analysis of Financial Position and Results of Operations*" and "*Outstanding Litigation and Material Developments*" on pages 29, 116, 165, 84, 68, 235, 98, 225, 322 and 358, respectively of this Draft Red Herring Prospectus.

Primary business of our Company

We are one of the major players in the solar energy industry in India focused on PV module manufacturing, with an aggregate installed capacity of 2 GW as of March 31, 2021. (Source: CRISIL Report) Our solar energy product portfolio consists of the following PV modules: (i) multicrystalline modules; and (ii) monocrystalline modules, comprising Merlin flexible modules and monocrystalline passivated emitter and rear cell modules, which includes bifacial modules (framed and unframed), building integrated photo voltaic modules. We operate three manufacturing facilities comprising four factories at Surat, Tumb and Nandigram in Gujarat, India.

Summary of industry in which our Company operates

Renewable energy sources are a cleaner source of energy than conventional ones. Renewable energy capacity additions have seen strong growth over the past five years, increasing to approximately 140 GW in Fiscal 2021 from approximately 31.6 GW in Fiscal 2014. Solar energy potential is the greatest in India amongst all the commercially available renewable energy sources. CRISIL Research expects 62-64 GW of solar capacity additions over Fiscals 2022 to 2026 and domestic module manufacturers to benefit from a demand potential stemming from various schemes, solar rooftop and in-house solar project development, along with export potential of 1.8-2.4 GW.

Name of Promoters

As on the date of this Draft Red Herring Prospectus, Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Mahavir Thermoequip Private Limited are the Promoters of our Company. For further details, see "*Our Promoters and Promoter Group*" at page 225.

The Offer

Offer [1]	Up to [●] Equity Shares for cash at price of ₹[●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹[●] million
of which	
Fresh Issue [1^]	Up to [●] Equity Shares aggregating up to ₹13,500 million
Offer for Sale [2]	The Offer for Sale up to 4,007,500 Equity Shares, aggregating up to ₹[●] million comprising of up to 1,315,000 Equity Shares by Hitesh Chimanlal Doshi aggregating up to ₹[●] million, up to 1,315,000 Equity Shares by Virenkumar Chimanlal Doshi aggregating up to ₹[●] million, up to 1,315,000 Equity Shares by Mahavir Thermoequip Private Limited aggregating up to ₹[●] million, up to 40,000 Equity Shares by Samir Surendra Shah aggregating up to ₹[●] million and up to 22,500 Equity Shares by Nilesh Gandhi jointly with Drasta Gandhi aggregating up to ₹[●] million
Employee Reservation Portion[3]	Up to [●] Equity Shares aggregating up to ₹[●] million

^ *Our Company, in consultation with the BRLMs, may consider undertaking a Pre-IPO Placement. If our Company undertakes the Pre-IPO Placement, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer complying with Rule 19(2)(b) of the SCRR. The Offer includes the Employee Reservation Portion.*

[1] *The Offer has been authorized by a resolution of our Board dated August 6, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated September 1, 2021.*

[2] *The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. For details, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 365.*

[3] *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The unsubscribed portion,*

if any, in the Employee Reservation Portion (after allocation of up to ₹500,000), shall be added to the Net Offer. For further details, see "Offer Structure" on page 386.

The Offer and Net Offer shall constitute [●]% and [●]% of the post-Offer paid up equity share capital of our Company.

For further details, see "*The Offer*" and "*Offer Structure*" on pages 68 and 386, respectively.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ million)

Particulars	Amount which will be financed from the Net Proceeds (1)(3)
Establishing the Solar Cell Facility	9,103.13
Establishing the Solar Module Facility	1,412.38
General corporate purposes(2)	[●]
Total (1)(3)	[●]

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

(2) *The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

(3) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer complying with Rule 19(2)(b) of the SCRR. Upon allotment of Equity Shares issued pursuant to the Pre- IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects of the Offer.*

Aggregate pre-Offer shareholding of our Promoters, Promoter Group and the Selling Shareholders

(a) The aggregate pre-Offer shareholding of our Promoters and Promoter Group as a percentage of the pre-Offer paid-up equity share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Offer paid-up equity share capital
Promoters (A)			
1.	Mahavir Thermoequip Private Limited	57,826,867	29.33
2.	Hitesh Chimanlal Doshi	14,104,082	7.15
3.	Virenkumar Chimanlal Doshi	10,954,007	5.56
Total (A)		**82,884,956**	**42.04**
Promoter Group (B)			
4.	Pankaj Chimanlal Doshi	25,143,284	12.75
5.	Bindiya Kirit Doshi	19,768,112	10.03
6.	Binita Hitesh Doshi	15,647,944	7.94
7.	Nipa Viren Doshi	15,250,839	7.74
8.	Kirit Chimanlal Doshi	10,192,782	5.17
9.	Pankaj Chimanlal Doshi (HUF)	7,499,883	3.80
10.	Virenkumar Chimanlal Doshi (HUF)	6,694,249	3.40
11.	Hitesh Chimanlal Doshi (HUF)	2,925,706	1.48
12.	Kirit Chimanlal Doshi (HUF)	2,732,437	1.39
Total (B)		**105,855,236**	**53.70**
Total (A+B)		**188,740,192**	**95.74**

(b) The aggregate pre-Offer shareholding of the Selling Shareholders as a percentage of the pre-Offer paid-up equity share capital of our Company is set out below:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares held	Percentage of the pre-Offer paid-up equity share capital
1.	Mahavir Thermoequip Private Limited	57,826,867	29.33
2.	Hitesh Chimanlal Doshi	14,104,082	7.15
3.	Virenkumar Chimanlal Doshi	10,954,007	5.56
4.	Samir Surendra Shah	162,500	0.08
5.	Nilesh Gandhi jointly with Drasta Gandhi	32,500	0.02
Total		**83,079,956**	**42.14**

For further details, see "*Capital Structure*" at page 84.

Summary of Financial Information

A summary of the financial information of our Company as per the Restated Consolidated Financial Statements is as follows:

(in ₹ million, except per share data)

Particulars	As at and for the period/Fiscal ended		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**
Equity Share Capital	1,971.38	1,971.38	1,971.38
Net worth	3,446.90	2,977.20	2,564.19
Revenue from operations	19,527.76	19,957.83	15,910.35
Total income	19,933.70	20,213.12	16,127.31
Profit/ (loss) for the period / year	481.90	390.21	823.40
Earnings per Equity Share			
- Basic	2.50	2.12	4.18
- Diluted	2.50	2.12	4.18
Net asset value per Equity Share	17.48	15.10	13.01
Total borrowings	2,895.71	1,255.62	1,070.28

Notes:
(1) Net-worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
(2) The details of 'Earnings per Share' disclosed above are based on the Restated Consolidated Financial Statements of our Company.
(3) Net Asset Value per Equity Share represents Net-worth as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding as of the end of the fiscal year.
(4) Total Borrowing includes non-current borrowings (including current maturities) and current borrowings.

For further details, see "*Restated Consolidated Financial Statements*" on page 235.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Statements

Our Statutory Auditors have not made any qualifications which have not been given effect to in the Restated Consolidated Financial Statements.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters as on the date of this Draft Red Herring Prospectus is provided below. As on date of this Draft Red Herring Prospectus, there are no outstanding litigations involving our Group Companies, which may have a material impact on our Company.

Particulars	**Number of cases**	**Amount, to the extent quantifiable (in ₹ million)**
Litigation involving our Company		
Outstanding criminal litigation by our Company	2	3.50
Other pending material litigation proceedings against our Company	4	50.40
Other pending material litigation proceedings by our Company	6	413.76
Claims related to direct and indirect taxes	15	116.05
Litigation involving our Subsidiaries		
Outstanding criminal litigation by our Subsidiaries	1	6.88
Claims related to direct and indirect taxes	1	*Not quantifiable*
Tax proceedings involving our Directors		
Claims related to direct and indirect taxes	7*	4.11*
Tax proceedings involving our Promoters		
Claims related to direct and indirect taxes	5	2.24

**This includes the claims related to direct and indirect taxes involving the Promoters who are also Directors of our Company*

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" on page 358.

Risk factors

Specific attention of Investors is invited to the section "*Risk Factors*" on page 29. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities and capital commitments of our Company

A summary table of contingent liabilities as per Ind AS 37- Provisions and contingent liabilities as of March 31, 2021, is set forth below:

(in ₹ million)

Sr. No.	Particulars	Amount
1.	Claims against the parent company not acknowledged as debts	130.61
2.	Disputed statutory liability of parent company	98.33
3.	Guarantee given by bank on behalf of the parent company	483.42
4.	Guarantee/indemnity given by parent company to others	786.66
5.	Letter of credit outstanding of parent company	535.50
6.	Inland/export bill discounting of parent company	1,770.56
	Total	**3,805.07**

Capital commitments

(in ₹ million)

Sr. No.	Particulars	Amount
1.	Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,052.64
Total		**1,052.64**

For further details, see "*Restated Consolidated Financial Statements – Note 42 – Contingent Liabilities, Assets and Commitments*" at page 290.

Related party transactions

Summary of the related party transactions as per Ind AS 24-Related Party Disclosures, read with the SEBI ICDR Regulations, derived from the Restated Consolidated Financial Statements, is set forth below:

(in ₹ million)

Particulars	Nature of Transaction	Fiscal 2021	Fiscal 2020	Fiscal 2019
Hitesh Chimanlal Doshi	Remuneration	20.03	20.14	12.75
Virenkumar Chimanlal Doshi	Remuneration	12.98	13.09	10.20
Hitesh Pranjivan Mehta	Remuneration	20.28	17.89	17.00
Jayesh Shah	Director's sitting fees	0.35	0.25	0.40
Samir Surendra Shah	Director's sitting fees	0.25	0.25	0.35
Rajender Malla	Director's sitting fees	0.35	0.30	0.05
Gayatri Borkar	Salary	-	-	0.10
Kirankumar Jain	Salary	1.52	1.38	0.93
Abhishek Pareek	Salary	2.19	-	-
Chimanlal Doshi	Rent paid	13.20	13.20	13.20
	Reimbursement of expenses	2.37	-	-
Rasila Doshi	Rent paid	6.60	6.60	6.60
	Reimbursement of expenses	0.70	-	-
Pujan Pankaj Doshi	Salary	-	1.07	0.50
Ankit Doshi	Salary	1.18	1.20	-
Manish Mehta	Salary	-	-	0.41
Waaree Technologies Limited	Loan Granted	1.00	-	-

	Loan Received back	1.00	-	-
	Interest Income	0.06	-	-
	Sales return	-	7.54	-
Waaree ESS Private Limited	Sales	40.88	-	-
	Capital Sales	49.19	-	-
Waa Motor & Pumps Private Limited	Sales	2.16	-	-
Shalibhadra Energies Private Limited	Provision for diminution in Investment	0.03	-	-
	Purchases	-	0.47	1.20
Waaree Renewables Private Limited (Formerly known as Cesare Bonetti India Private Limited)	Slump Purchase	20.93	-	-
	Rent paid	2.44	-	-
	Loan taken	-	-	4.52
	Loan repaid	-	-	4.52
	Loan granted	-	-	238.48
	Loan received back	-	87.73	328.19
	Interest income	-	-	4.54
	Capital purchases	-	12.08	-
	Purchases	1,992.44	1,202.02	178.97
	Job work charges	18.03	37.21	-
	Capital advance given	669.39	-	-
	Capital sales	-	-	6.79
	Sales	2,210.45	600.72	112.77
Waa Cables Private Limited (Subsidiary upto 16 December, 2020)	Purchases	0.15	-	-
Patan Solar Private Limited	Loan Granted	-	-	Negligible
	Loan Received back	-	-	Negligible
Sattva Investment Advisors Private Limited	Professional fees	-	-	2.50
Greentech Power Private Limited	Sales	-	12.14	-
	Sundry Balance written back	-	0.00	-
Waacox Energy Private Limited	Sales	-	-	124.30
Waaree Surya Power LLP	Purchases	35.79	-	-
	Sales	0.01	-	-
Mahavir Thermoequip Private Limited	Purchases	-	-	6.34
	Sales	-	-	0.01
Omntec Waaree ATG Private Limited	Purchases	178.77	6.79	87.60
Waaree Solar Thermal LLP	Loan Received back	-	-	0.08
	Purchases	0.88	-	-
	Expenses	-	0.13	-
Waaree PV Power LLP (Formerly Known as Sunmount Engineering LLP)	Loan granted	30.70	84.03	15.53
	Loan received back	125.58	80.78	24.00
	Loan taken	-	13.15	-
	Interest income	9.78	9.38	10.36
	Interest paid	-	0.21	-
	Capital purchases	0.09	-	-
	Purchases	10.67	-	5.06
	Sales	225.62	87.88	-
Waa Mall LLP	Purchases	-	1.18	1.50
	Sales	-	0.59	10.60
	Loan taken	-	0.67	0.25
	Loan repaid	-	13.00	0.51

	Interest paid	-	1.19	1.2
Jain Education and Empowerment Trust (JEET)	Corporate social responsibility expense	6.22	0.41	3.91
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	Loan Granted	-	-	88.66
	Loan Received back	-	-	64.03
	Interest Income	-	-	1.24
	Sale of investment	-	-	-
	Capital Purchases	-	-	0.16
	Project Expenses	-	-	44.67
	Sales	-	-	-
	Services	-	-	0.18
	Loan Taken	-	-	2.41
	Interest Paid	-	-	0.17
Sangam Rooftop Solar Private Limited (Formerly known as 8M Solar Fund Private Limited)	Sales	-	-	83.54
	Sales return	-	-	10.76
	Services	-	-	0.13

Summary of the related party transactions as per Ind AS 24-Related Party Disclosures (eliminated transactions details due to consolidation), read with the SEBI ICDR Regulations, derived from the Restated Consolidated Financial Statements, is set forth below:

(in ₹ million)

Particulars	Nature of Transaction	Fiscal 2021	Fiscal 2020	Fiscal 2019
Waacox Energy Private Limited	Sales	501.15	142.64	-
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	Investment in shares	-	199.80	-
	Loan granted	39.09	1.25	-
	Loan received back	30.59	27.06	-
	Reimbursement of Expenses	2.02	-	-
	Project Expenses	-	14.63	-
	Sales	8.65	-	-
	Services	0.28	0.26	-
	Interest Income	1.99	0.07	-
Waaree PV Technologies Private Limited	Loan Granted	5.89	-	-
	Loan Received back	5.89	-	-
	Interest Income	0.04	-	-
	Sales	106.41	128.75	-
Waaneep Solar One Private Limited	Investment in shares	-	-	0.10
	Loan granted	-	0.03	0.55
	Loan received back	-	0.60	-
	Interest Income	0.00	0.01	0.04
Waasang Solar One Private Limited	Investment in shares	-	-	0.05
	Sales	0.39	28.17	-
Waasang Solar Private Limited	Investment in shares	-	-	0.03
	Loan granted	-	-	7.00
	Loan received back	-	7.24	-
	Interest Income	-	0.02	0.25
Blue Rays Solar Private Limited	Interest Income	22.26	-	-
	Loan received back	-	-	173.10
Saswata Solar Private Limited (Formerly known as Saswata Solar LLP)	Interest Income	13.92	-	-
	Reduction in Investment converted to Loan	738.40	-	-
	Share of profit / (loss) on capital	-	Negligible	0.02

Waaneep Solar Private Limited	Loan granted	-	-	249.88
	Loan received back	-	-	50.22
	Interest Income	-	-	8.58
	Sales	-	-	701.25
	Services	-	-	22.86
Waa Cables Private Limited	Loan granted	-	0.78	105.12
	Loan received back	7.06	-	105.23
	Purchases	2.92	-	-
	Interest Income	0.30	0.75	6.35
	Sales Return	-	-	25.26
Sangam Rooftop Solar Private Limited (Formerly known as 8M Solar Fund Private Limited)	Purchases	-	10.50	-
	Project Expenses	-	9.08	-
	Sales	0.50	87.37	-
	Services	0.53	0.52	-
Waaree Power Private Limited	Investment in shares	-	0.10	-
	Advance to suppliers	1.80	5.20	-
Sangam Solar One Private Limited	Investment in shares	-	0.10	-
Sangam Solar Two Private Limited	Investment in shares	-	0.10	-
Sangam Solar Three Private Limited	Investment in shares	-	0.10	-
Sangam Solar Four Private Limited	Investment in shares	-	0.10	-
Rasila International Pte. Limited	Loan granted	-	-	0.29
	Loan received back	-	-	5.87
	Provision for diminution in Investment	-	0.55	-
	Loan write off	-	3.46	-

For further details, see "*Restated Consolidated Financial Statements - Related Party Transactions*" at page 296.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, directors of our corporate Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by each of our Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, none of the Promoters or Selling Shareholders acquired any Equity Shares in one year preceding the date of this Draft Red Herring Prospectus:

Name of Promoter / Selling Shareholder	Number of Equity Shares acquired	Weighted average cost of acquisition per Equity Share (in ₹)*
Hitesh Chimanlal Doshi	60,938	Nil^
Virenkumar Chimanlal Doshi	60,938	Nil^

* *As certified by SGCO & Co LLP, Chartered Accountants, by way of their certificate dated September 28, 2021.*
^*Acquisition of Equity Shares by way of gift.*

Average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders, as at the date of this Draft Red Herring Prospectus, is:

Name of Promoter / Selling Shareholder	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Mahavir Thermoequip Private Limited	57,826,867	3.85
Hitesh Chimanlal Doshi	14,104,082	4.03

Name of Promoter / Selling Shareholder	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Virenkumar Chimanlal Doshi	10,954,007	2.14
Samir Surendra Shah	1,62,500	15.38
Nilesh Gandhi jointly with Drasta Gandhi	32,500	15.38

* *As certified by SGCO & Co LLP, Chartered Accountants, by way of their certificate dated September 28, 2021.*

Details of pre-IPO placement

Our Company, in consultation with the BRLMs, may consider a further issue of specified securities, through a preferential issue or any other method as may be permitted under the applicable law to any person(s), aggregating up to ₹2,700 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer complying with Rule 19(2)(b) of the SCRR.

Issue of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India and other jurisdictions we operate in. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Consolidated Financial Statements" on pages 165, 116, 322 and 235, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 19.

Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" on page 235. Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to Waaree Energies Limited on a consolidated basis and references to "the Company" or "our Company" refers to Waaree Energies Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Solar power market in India" dated September 2021 (the "**CRISIL Report**") prepared and issued by CRISIL Limited appointed on July 3, 2021, and exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 16.*

Internal Risk Factors

1. Our business prospects and future financial performance depend on the demand for solar power products as well as favourable government policies. Any decrease in demand for such products or change in governmental policies could adversely affect our business prospects and financial performance.

Our business prospects and future financial performance depend on the growth of the solar and renewable power industry in India as well as globally. While we believe that the solar industry has a favorable outlook, we cannot assure you that this will be the case in the future and any decrease in preference for solar energy will result in a drop in demand for our products. If the demand for domestic PV modules does not increase, our business, results of operations, financial condition and prospects may be adversely impacted.

Additionally, demand for solar products can be difficult to predict as it relies on a number of factors, such as the energy supply, demand and prices, as well as regulations and policies governing renewable energies. There can be no assurance that solar power products and related technologies will continue to receive support from government regulations or be preferred over other alternative renewable energy sources, such as wind energy and hydro energy.

Many factors may adversely affect the demand for solar energy products and projects in India and globally, including but not limited to:

- fluctuations in economic and market conditions, and climate change factors, that affect the viability of conventional and non-solar renewable energy sources;

- cost-effectiveness, performance and reliability of solar energy projects compared to conventional and other renewable energy sources;

- cost competitiveness as compared against tariffs for conventional energy sources and the preference of utilities for conventional energy sources;

- availability of land for acquisition or lease for projects as well as transmission lines;

- grid capacity constraints as well as grid connectivity barriers in utility scale projects that affects the cost effectiveness of solar power;

- the success of other alternative energy generation technologies, such as wind, fuel cells, nuclear, hydro-power, and biomass and their suitability for continued adoption at economically attractive rates of return;

- seasonality and favourability of weather conditions impacting installation of solar power products and generation of solar power;

- cost effectiveness of smaller scale solar power installations;

- public perception of the direct and indirect benefits of adopting renewable energy technology;

- decreases in capital expenditures by end-users of solar power projects; and

- regulations and policies governing the renewable energy industry, including tax incentives, tariffs and other preferential trade remedies, renewable energy targets, that may present technical, regulatory and economic barriers to the purchase and use of solar energy.

The demand for solar products and related technologies may not grow at the rate we anticipate, and may not grow at all. If demand for solar solutions and relevant technologies weaken, our business prospects and future financial performance would be adversely affected.

In addition, our business and prospects depends heavily on favorable governmental policies. While our products benefit by being more cost-competitive as a result of several GoI initiatives such as the PLI Scheme for high-efficiency solar PV modules and the imposition of basic customs duty on imported solar products, (*Source: CRISIL Report*) there is no assurance that the GoI and state governments will continue to provide incentives and allow favorable policies to be applicable to us. For instance, while the GoI, in June 2015, boosted the sector by approving the target capacity to 100 GW by 2022 and subsequently raised the target capacity to 300 GW by 2030, under the Jawaharlal Nehru National Solar Mission, its policy focusses on providing solar power at the cheapest cost for which it has followed reverse bidding process. Reverse bidding imposes significant pricing pressures on the margins of developers and consequently PV module manufactures. Therefore, our profitability is affected by governmental policy that focuses on providing solar power at the cheapest cost. Further the GoI and state governments may reduce or eliminate economic incentives for political, financial or other reasons. In addition, policy incentives may be available for a limited period, and there can be no assurance that the validity of such schemes will be extended. Any unfavorable changes in governmental policies will adversely affect our business prospects and future financial performance.

2. The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may continue to have an adverse impact on our business prospects and financial performance.

The outbreak of the COVID-19 pandemic and its continuing impact, as well as government measures to reduce the spread of COVID-19 since March 2020, have impacted our operations and ability to sell our products within India as well as export of our products to international markets. The global spread of the COVID-19 pandemic has created significant volatility and uncertainty, as well as economic disruption. Our restated profit for the year was ₹823.40 million, ₹390.21 million and ₹481.90 million in Fiscal 2019, 2020 and 2021 respectively. Our EBITDA has also decreased from ₹1,653.59 million in Fiscal 2019, to ₹1,177.78 million in Fiscal 2020 and ₹1,254.23 million in Fiscal 2021. The impact of the pandemic on our business, operations and future financial performance have included and may in the future include the following:

- Although our operations are considered to be within the category of energy generation and allied activities and therefore classified as essential services which are subject to less stringent restrictions, our manufacturing operations have been, and could be, adversely affected if our employees or the regions in which our manufacturing facilities are located are severely affected by the COVID-19 pandemic. For example, due to nationwide lockdowns, we ceased manufacturing operations for several weeks in April and May 2020. In addition, some or all of our workforce may not be available due to quarantine, fear of being infected or other factors, and local, national or international transportation or other infrastructure may continue to be impacted, leading to delays or loss of production.

- Our suppliers are subject to similar risks, which could lead to a shortage of materials and components used in our manufacturing operations and an inability to meet our manufacturing targets. We rely on a variety of common carriers to transport our materials and components from our suppliers, and to transport our PV modules to our customers. Problems suffered by any of these common carriers could result in delays, increased costs or some other supply chain disruption which could have a material adverse effect on our operations.

- The sale of our products, ability to bid for EPC contracts and provide ancillary O&M services could be similarly affected, which could result in a breach of our contractual obligations including delivery of products.

- Disruptions in the operations of our customers and prospective customers, including as a result of travel restrictions and/or business shutdowns, uncertainty in the financial markets or other harm to their business and financial performance, leading to reduction in budgets, delayed purchasing decisions, longer sales cycles, extended payment terms, the timing of payments, and postponed or cancelled projects, all of which may negatively impact our business and operating results, including sales and cash flows. This could cause a reduction in our customers' demand for our products. We may have to decrease the selling price of our products to attract and retain customers if the demand for our products decreases.

- Remote working arrangements for our employees, which may have a negative impact on our operations; the execution of our business plans; our ability to recruit, train, manage, and retain employees; the productivity and availability of key personnel and other employees necessary to conduct our business; and on third-party service providers who perform critical services for us, or otherwise cause operational failures due to changes in our normal business practices necessitated by the outbreak and related governmental actions. If a natural disaster, power outage, connectivity issue, or other event occurred that impacted our employees' ability to work remotely, it may be difficult or, in certain cases, impossible, for us to continue our business for a substantial period of time. The increase in remote working may also result in increased data security and fraud risks.

More generally, the COVID-19 pandemic has and is expected to continue to adversely affect economies and financial markets globally, leading to a continued economic downturn, which could adversely affect demand for our products. It is not possible at this time to estimate the full impact that COVID-19 will have on our business, as the impact will depend on future developments, which are highly uncertain and cannot be predicted such as new information which may emerge concerning the severity of the coronavirus, spread of new strains of the coronavirus, the scope and duration of the pandemic, any recovery period, future actions taken by governmental authorities in response to the pandemic, the effects on our customers, counterparties, employees and third-party suppliers and vendors, the actions taken globally to contain the coronavirus or treat its impact, among others. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us may not have the anticipated effect or may fail to achieve its intended purpose altogether. In addition, while vaccination processes have been underway globally, achieving a complete vaccination scale may take significant amount of time and accordingly, normalcy of businesses may also take a significant amount of time. Although we continue to monitor the situation and may adjust our current policies as more information and public health guidance become available, the ongoing effects of the COVID-19 pandemic and/or the precautionary measures that we have adopted may create operational and other challenges, any of which could harm our business and results of operations.

Moreover, to the extent the COVID-19 pandemic adversely affects our business, financial condition, and results of operations, it may also have the effect of heightening many of the other risks described in herein.

3. Restrictions on or import duties relating to materials and equipment imported for our manufacturing operations as well as restrictions on or import duties levied on our products in our export markets may adversely affect our business prospects and financial performance.

A significant part of our materials used in the production of our modules, particularly solar cells, is imported from China and other South East Asian jurisdictions. Any restrictions, either from the GoI or any state or provincial government or governmental authority, or from restrictions imposed by any other applicable authorised bilateral or multilateral organisations, on such imports from China and other jurisdictions in which our principal suppliers are located, may adversely affect our business, results of operations and prospects. In Fiscal 2019, 2020 and 2021, our cost of imported materials was ₹9,961.30 million, ₹13,674.27 million and ₹12,191.48 million, which represented 77.86%, 76.00% and 68.41%, respectively, of our total purchases in such periods.

The GoI had introduced the safeguard duty in July 2018 on import of solar cells which was applicable until July 2021, and this is being replaced with significantly higher basic customs duty of 25% on solar cells, commencing April 1, 2022. The imposition of such high basic customs duty on imported solar cells is expected to impact our cost of materials unless we are able to implement our backward integration plan of producing our own solar cells by such time in a cost-effective manner or procure from other cost-effective and domestic producers of solar cells. In addition, the GoI may impose additional duties on the equipment that we will need to import for implementation of our proposed expansion, upgradation and backward integration plans, including adding 3 GW module manufacturing capacity and backward integration into 4 GW of solar cell capacity.

Similarly, the products we manufacture and export could be subject to additional duties. For example, in January 2018, the United States imposed higher duties, starting at 30% and declining to 15% over the next four years, on imported solar module panels and cells. In Fiscal 2019, 2020 and 2021, Export Sales was ₹2,178.97 million, ₹2,285.65 million and ₹4,809.32 million and represented 13.70%, 11.45% and 24.63% respectively, of our revenue from operations in such periods. If these risks materialise, demand for our products, our business and results of operations would be materially and adversely affected. We cannot assure you that there will not be any new action by the relevant authorities imposing anti-dumping or other import duties or similar tariffs. Any such imposition will result in an increase in the costs for our solar products, and, if the consequent increased costs cannot be passed on to the customers, our margins will correspondingly decrease. We cannot assure you that such restrictions or tariffs will not be imposed in the future, that the scope of such restrictions or tariffs will not be extended to cover equipment that we import, or that if such restrictions or tariffs are imposed we will be able to find alternative sources to procure equipment at competitive prices. Such restrictions on or import duties relating to solar cell and other materials used in module manufacturing or on any equipment required to be imported for our proposed capacity expansion and technology upgradation plans may adversely impact our results of operations and business prospects.

4. We are dependent on third party suppliers of materials and components for manufacturing our products. Any disruptions in the supply or availability of materials and components of the appropriate quality standards and fluctuation in their prices may have an adverse impact on our business operations and financial performance.

Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of materials and components at acceptable prices. Our major materials requirements include solar cells, backsheets, encapsulants, glass and aluminium panels. We depend on external suppliers for our materials and components required and typically purchase materials and components on a purchase order basis and place such orders with them in advance on the basis of our anticipated requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our material and component suppliers. Absence of long-term supply contracts subject us to risks such as price volatility caused by various factors such as market fluctuations, currency fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic as well as international government policies, and regulatory and trade sanctions. We currently import most of our solar cell requirements from China and other South East Asian markets. As a result, we continue to remain susceptible to the risks arising out of price fluctuations as well as import duties, which could result in a decline in our operating margins. For example, the GoI proposes to introduce a basic customs duty on imported solar cells with effect from April 2022. If we cannot fully offset increases in material prices with increases in the prices for our products, we will experience lower margins, which will have a material adverse effect on our results of operations, financial condition, and cash flows. In the absence of such contracts we are also exposed to the risk of unavailability of certain materials in desired quantities and qualities, in a timely manner or at all.

Although we have not faced significant disruptions in the procurement of raw materials in the past, the COVID-19 pandemic temporarily affected our ability to source materials from certain vendors who were unable to transport materials to us. Cost of such materials also increased significantly as a result of the COVID-19 pandemic related increase in freight costs. There can be no assurance that we will be able to procure the required quantities and quality of materials commensurate with our requirements. In Fiscal 2019, 2020 and 2021, our cost of materials consumed was ₹10,919.09 million, ₹14,324.36 million and ₹12,619.09 million, respectively, which represented 68.63%, 71.77% and 64.62%, respectively, of our revenue from operations in those periods. There can be no assurance that a particular supplier will continue to supply us with materials in the future. Further, we cannot assure you that we will be able to enter into new or renew our existing arrangements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source materials in a commercially viable and timely manner, if at all, which may impact our business and profitability.

5. Implementing our growth strategy requires significant capital expenditure and will depend on our ability to maintain access to multiple funding sources on acceptable terms.

Our strategic business initiatives include the setting up additional module manufacturing capacity and 4 GW solar cell manufacturing capacity, which are subject to receiving applicable regulatory approvals including setting up our manufacturing facilities and for our operations. These business expansion plans will be funded partly by the proceeds of this Offer and partly through financing arrangements.

While we have historically funded our capital expenditure primarily through a mix of equity, corporate debt and project financing, there can be no assurance that we will be able to continue to obtain adequate financing for our strategic business initiatives or that we will be obtain attractive rates and terms associated with such financing. Any future expansion plans may also require significant capital expenditure. Any significant change to our growth strategy could also impact our future financial performance. In addition, rising interest rates could adversely impact our ability to secure financing on favourable terms and may result in an increase in our cost of capital.

Our ability to obtain external financing on favourable terms is subject to a number of uncertainties, including: our financial condition, results of operations and cash flows; interest rates; our credit rating; our ability to comply with any financial covenants under our debt financing; general condition of global equity and debt capital and project finance markets; regulatory and government support in the form of tax and other incentives; the continued confidence of equity investors, banks, other financial institutions in us and in the solar energy industry; and economic, political and other conditions. As of September 30, 2020, we have received a credit rating of CRISIL BBB-/ Positive from CRISIL. An inability to secure future financing on attractive terms or at all may adversely impact these strategic initiatives and our business prospects. In addition, our ability to raise funds, either through equity or debt, is limited by certain restrictions imposed under Indian law. While historically, we have been able to obtain financing on favourable terms from major financial institutions, there can be no assurance that our relationships with lenders will not change or that lenders will continue lending practices we are familiar with. Our lenders may implement new credit policies, adopt new qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financing. As a result, our operations and proposed expansion and upgradation projects may be subject to significant delays and cost overruns, and our business, financial condition and results of operations may be materially and adversely affected.

6. ***We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.***

As of March 31, 2021, our total outstanding borrowings amounted to ₹2,895.71 million. Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities (including certain corporate actions) and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents or intimations to be made to certain lenders include, amongst others, (a) changes to the capital structure of our Company or effect any material changes in its shareholding; (b) amendments to memorandum and/or articles of association of our Company, (c) changing the constitution/composition of the Board; (d) undertaking any merger, de-merger, consolidation, reorganization, dissolution, scheme of arrangement or compromise with creditors or shareholders; (e) change in the general nature of business of our Company or to undertake any expansion or invest in any other entity. Some of our lenders are also entitled to appoint directors on the Board of our Company. While we have received all relevant consents required for the purposes of this Offer and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time.

The terms and conditions for the issuance of the NCDs by our Company to BPEA India Credit Investments Trust II and BPEA Credit India Fund IIA, for which Vistra ITCL (India) Limited has been appointed as the debenture trustee ("**Debenture Trustee**"), includes a mandatory prepayment clause, wherein our Company is required to mandatorily prepay the outstanding NCDs (without any prepayment charge), at the option of the NCD holders, in the event our Company undertakes (a) a fresh equity issuance pursuant to an IPO and/or any other mode of equity infusion during the tenor of the NCDs; or (b) a secondary sale by the Promoters. As on August 31, 2021, the total NCDs outstanding accounted for 25.00% of our overall borrowings. In this regard, the Debenture Trustee, vide a letter dated September 3, 2021 has waived the requirement of mandatory prepayment by our Company on account of undertaking the Offer. Accordingly, pursuant to the waiver granted by the Debenture Trustee, the mandatory prepayment obligation under the terms and conditions of the NCDs will not impact the receivables or the cash flow of our Company. Further, we did not comply with certain conditions subsequent under the debenture documents in relation to the NCDs, such as (i) completion of technical evaluation and financial closure of, and completion of Waaree Power Private Limited manufacturing project; (ii) submission of certain no-objections from lenders; and (iii) submission of certain correspondence with income-tax department in relation to creation of security. In this regard, the Debenture Trustee, vide a letter dated September 3, 2021 has waived all rights it may have in case of past non-compliance by our Company under debenture documents in relation to the NCDs. A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers, in future, may lead to acceleration of amounts due under such facilities and triggering of cross default provisions.

Certain of our secured borrowing facilities may also permit the lenders to recall the loan on demand. Such recalls on borrowed amounts may be contingent upon happening of an event beyond our control and there can be no assurance that we will be able to persuade our lenders to give us extensions or to refrain from exercising such recalls which may adversely affect our operations and cash flows. A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers may lead to acceleration of amounts due under such facilities and triggering of cross default provisions. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing.

7. ***Our business is dependent on the regulatory and policy environment affecting the renewable energy sector in India.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and operations are governed by various laws and regulations, including the Electricity Act, 2003, National Electricity Policy, 2005, Integrated Energy Policy, 2006 and National Tariff Policy, 2016, environmental and labour laws and other legislations enacted by the GoI and the relevant state governments in India. Our business and financial performance could be adversely affected by any unfavourable changes in or interpretations of existing laws, or the promulgation of new laws. There can be no assurance that the GoI or any state government in India will not implement new regulations and policies which will require us to obtain additional approvals and licences from the government and other regulatory agencies or impose onerous requirements and conditions on our operations, which could result in increased compliance costs as well as divert significant management time and other resources. Any such unfavourable changes and the related uncertainties in application, interpretation or implementation of any laws, rules and regulations to which we are subject may have a material adverse effect on our business, financial condition and results of operations.

Further, our business is dependent in part on GoI and state government policies that support renewable energy, particularly solar energy, and enhance the economic feasibility of developing solar energy projects. The GoI and several of state governments in India provide incentives that support the generation and sale of solar energy, and additional legislation is regularly being considered that could enhance the demand for solar energy and obligations to use renewable energy sources. For example, government projects are permitted to procure solar modules of certain quality and specification only from a limited number of select suppliers identified in the Approved List of Models and Manufacturers (ALMM) identified by the MNRE. In addition, regulatory policies in various states in India currently provide a favourable framework for securing attractive returns on capital invested for renewable and solar energy projects. If any of these incentives or policies are adversely amended, eliminated or not extended beyond their current expiration dates, or if funding for these incentives is reduced, or if governmental support of renewable energy development, particularly solar energy, is discontinued or reduced, it could have an adverse effect on our ability to obtain financing, and may affect the viability of new solar energy projects based on current tariff and cost assumptions. For further information, see "*Key Regulations and Policies in India*" on page 183.

The GoI has accorded renewable energy "must-run" status, which means that any renewable power that is generated must always be accepted by the grid. However, certain state electricity boards may order the curtailment of renewable energy generation despite this status and there have been instances of such orders citing grid safety and stability issues being introduced in the past. This may occur as a result of the state electricity boards purchasing cheaper power from other sources or transmission congestion owing to a mismatch between generation and transmission capacities. There can be no assurance that the GoI will continue to maintain the "must-run" status for renewable energy or that the state electricity boards will not make any orders to curtail the generation of renewable energy.

We benefit from a number of government and other incentives in relation to renewable power generation and transmission. Some of the key incentives that benefit the solar energy industry in India, and consequently our business, include preferential tariffs for solar power assets under long-term PPAs; preferential charges on transmission, wheeling and banking facilities; production linked incentive (PLI) scheme for high-efficiency solar PV modules; tax incentives; and availability of accelerated depreciation for solar power assets.

There is no assurance that the GoI and state governments will continue to provide incentives and allow favourable policies to be applicable to the solar energy industry. The GoI and state governments may reduce or eliminate these economic incentives for political, financial or other reasons. In addition, policy incentives may be available for a limited period, and there can be no assurance that the validity of such schemes will be extended. Furthermore, upon the introduction of GST, incentives with respect to import duties on certain solar equipment have been discontinued.

Any change in policy that results in the curtailment of renewable energy generation may have an adverse effect on our business. If government authorities do not continue supporting, or reduce or eliminate their support for, the development of solar energy projects and products, financing costs for solar projects may increase. These may, in turn, have a material and adverse effect on business prospects for solar modules, and consequently our financial performance.

8. We propose to commence manufacturing solar cells, and if we are unable to successfully implement such strategy, our results of operations and financial condition may be adversely impacted.

Our proposed expansion plans include backward integration into manufacturing of solar cells by setting up a 4 GW capacity solar cell manufacturing facility. However, there can be no assurance that our entry into solar cell manufacturing will be successful or cost-effective given that other solar cell manufacturers in India and in other jurisdictions may have more established and cost-effective products and more experience in general in manufacturing solar cells. We may also find it more difficult to hire, train and retain qualified employees compared to our competitors. In addition, we may have difficulty in finding reliable suppliers with adequate supplies of materials meeting our quality standards for the manufacture of solar cells. Entry into new lines of manufacturing will expose us to additional legal and regulatory regimes with which we have no prior direct experience, including regulatory approvals required for setting up our manufacturing facilities and our manufacturing operations. Further, our solar cell technology could be rendered obsolete and may be negatively impacted by various factors, many of which are beyond our control, including development of new technologies and solar cell products that are more effective.

Expanding our current operations can be risky and expensive, and we cannot assure you that we may be successful in meeting the desired cost-efficiencies and any consequent growth in our business. If we do not successfully implement such backward integration measures, we will continue to be dependent on imported solar cells that are subject to the high basic customs duty of 25% from April 2022, and our business prospects, results of operations and financial condition could be materially and adversely affected.

9. We face intense competition in our markets, and we may lack sufficient financial or other resources to maintain or improve our competitive position.

We face intense competition from other Indian module manufacturers as well as module manufacturers from China and South East Asia for domestic demand, while our export sales face competition from a wide range of global module manufacturers. There can be no assurance that we will be able to adapt to new technology or maintain the quality standards of our manufacturing facilities and testing laboratories.

Some of our competitors may have greater financial, marketing, personnel and other resources than we do and may be in a position to seek to grow their business more aggressively. A reduction in demand for solar energy products or an inability to successfully acquire new customers may have an adverse impact on our business and financial performance.

Further, certain of our competitors may also grow through corporate reorganisations or alliances with other competitors. Any growth in the scale of our competitors may result in the establishment of advanced module manufacturing, EPC contracting and O&M capabilities, which may offset any current advantage we may have over them. Increased competition may result in price reduction, reduced margins and a loss of our market share, any of which may adversely affect our business, financial condition and prospects.

10. Our ability to grow our franchisee sales particularly, the rooftop and MSME segment business, depends on the success of our relationship with our franchisees and an inability to maintain or further expand our franchisee network, could negatively affect our business and results of operations.

Our ability to grow our franchisee sales, particularly the rooftop and MSME segment business depends on our relationship with our franchisees, and our ability to further grow our franchisee network. As of June 30, 2021, we had developed a pan India network of 388 franchisees. In Fiscal 2019, 2020 and 2021, Franchisee Sales was ₹2,198.41 million, ₹3,148.83 million and ₹3,887.60 million, respectively and represented 13.82%, 15.78% and 19.91%, respectively, of our revenue from operations in such periods. Our franchisees operate as end-to-end product and service providers for the rooftop and MSME segments, deal only with products authorised by us, and are authorised to sell our products under our brand name, to increase the visibility and reach of our products through direct customer interaction and local / regional distribution capabilities of such franchisees. For more information, see "*Business – Our Business Operations – Distribution, Sales and Customers – Franchisee Sales*" on page 179.

Our relationship with our franchisees is dependent to an extent on our ability to regularly meet their requirements, including product quality, price competitiveness, efficient and timely product deliveries, and providing sales, installation and maintenance support. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected franchisees. In addition, failure to provide franchisees with sufficient inventories of our products may result in lesser sales of our products compared to the demand. There are also a number of factors relating to our franchisees beyond our control that might result in the termination of our arrangement or the loss of a franchisee relationship. Further, the deterioration of the financial condition or business prospects of these franchisees could affect demand for our products and could result in a significant decline in the revenues we derive from such franchisees. Adverse changes in our relationships with our franchisees, or the inability to successfully establish relationships with new franchisees, could limit our business prospects in the rooftop and MSME customer segment, which could adversely affect our financial performance.

We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor freight forwarding of our products, transportation bottlenecks, natural disasters, infectious disease outbreaks such as the COVID-19 pandemic and labour issues, which could lead to deliveries being delayed or lost, resulting in insufficient inventories at franchisee outlets. If we fail to deliver products to franchisees in a timely manner, or if our franchisees fail to adhere to the terms of our arrangements, our business and results of operations may be adversely affected.

There can be no assurance that our franchisees will renew their agreements with us on current or similar terms, or at all. Further, our franchisees could change their business practices or seek to modify the terms that we have customarily followed with them, including in relation to their payment terms. While we negotiate product prices and payment terms with our franchisees, and we receive advance payment for purchase orders from franchisees, in the event our franchisees alter their requirements, it could have a material adverse effect on our franchisee sales. In addition, our franchisees may also cancel purchase orders at short notice, which could have an impact on our inventory management. Termination of any of the above mentioned arrangements or frequent cancellation of purchase orders could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

Further, in the event our franchisees experience any delays in placing orders with us, do not effectively market our products, or if they terminate the franchisee agreements or otherwise discontinue working with us, it could have an adverse effect on our strategy to grow this segment. An inability to maintain our existing franchisee network could have a material adverse effect on our sales, business growth and prospects, results of operation, financial condition, and cash flows. In addition, if we are unable to successfully expand our franchisee operations to regions where we do not have a significant presence and prior experience it could also adversely affect our franchisee sales. Further, the performance of our franchisees, their sales network and their ability to expand their businesses are crucial to the future growth of our business and directly affect our sales volume and profitability, particularly, in the rooftop and MSME segment.

11. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, prospects and financial performance.

We currently own and operate three manufacturing facilities comprising four factories, with an aggregate installed capacity of 2.00 GW as of March 31, 2021. Our ability to maintain our profitability depends, among other factors, on our ability to optimize the product mix to support high-efficiency modules with higher margins with consistent long-term demand; and the demand and supply balance of our products in our existing and target markets. In particular, the level of our capacity utilization can impact our operating results. The changes in demand for our products could reduce our ability to accurately estimate future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a mismatch of capacity and capacity utilization. Any such mismatch leading to under-utilization of our manufacturing facilities could adversely affect our business, results of operations, financial condition and cash flows.

In addition, our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at our manufacturing facilities, the availability of materials and components, industry/ market conditions, and orders generated from direct sales to utilities and enterprises, franchisee sales and export sales. In the event we face prolonged disruptions at our manufacturing facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient materials and components, we may not be able to achieve high capacity utilization of our manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial performance.

Further, we intend to make investments in expanding our module manufacturing capacity and backward integration into manufacturing solar cells by setting up a 4 GW solar cell manufacturing capacity. We intend to use a part of the Net Proceeds towards the expansion of our module and solar cell manufacturing capacity of 1 GW and 2 GW, respectively. Our proposed expansion and backward integration plans are based on demand forecasts that are subject to various assumptions including product trends in the industry, weather conditions and seasonality in the industry, and end-customer preferences, that are based on prevailing economic conditions. Adequate utilization of our expanded module manufacturing capacities and our solar cell manufacturing capacities is therefore subject to various factors beyond our control and in case of oversupply in the industry or lack of demand, we may not be able to utilise such capacities in an efficient manner. The success of any capacity expansion and backward integration plans and expected return on investment on capital invested is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise, all of which affect our ability to utilize the expanded capacities as anticipated. Also see "– *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale.*" *and "– Implementing our growth strategy requires significant capital expenditure and will depend on our ability to maintain access to multiple funding sources on acceptable terms."* on pages 56 and 33, respectively.

In Fiscal 2019, 2020 and 2021, our capacity utilization (calculated on basis of our effective installed capacity in the relevant fiscal period) was 52.24%, 61.25% and 52.52%, respectively. For further information, see "*Our Business – Our Business Operations – Capacity and Capacity Utilization*" on page 175. These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, product mix, availability of materials and components, our ability to manage our inventory and improve operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

12. An inability to accurately forecast demand or price for our products and manage our inventory may adversely affect our business, results of operations, financial condition, and cash flows.

Our business depends on production decisions made in advance based on our estimate of the demand for our products from customers or franchisees taking into account historical trends. We typically maintain a reasonable level of inventory of materials, work in progress, traded goods and finished goods.

If we overestimate demand for our products, we run the risk of purchasing more materials than necessary, which could expose us to risks and costs associated with prolonged storage of some of these materials, and materially affect our results of operations. Conversely, if our customers or franchisees place orders for greater quantities of products compared to their historical requirements, we may not be able to adequately source the necessary materials in a timely manner, and may not have the required available manufacturing capacity to meet such demand, leading to loss of business. In addition, if all or a significant number of our suppliers for any particular material are unable or unwilling to meet our requirements or our estimates fall short of the demand, we could suffer shortages or significant cost increases. Continued supply disruptions could exert pressure on our costs, and we cannot assure that all or part of any increased costs can be passed along to our customers or franchisees in a timely manner or at all, which could adversely impact our business, prospects and financial performance.

13. Our business is dependent on certain key customers and the loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We are dependent on certain key customers for a substantial portion of our business. In Fiscal 2019, 2020 and 2021, our top 10 customers across our business (excluding any sales to Promoter Group companies) accounted for 51.61%, 42.62% and 42.78%, respectively, while our largest customer in respective years accounted for 16.95%, 9.23% and 14.07%, respectively, of our revenue from operations in such periods. For example, we have recently been awarded two large contracts from ReNew Power and another solar energy project developer in India, scheduled for supply of products commencing in the third quarter of Fiscal 2022, each of which involves approximately 1,000 MW of our capacities. These contracts are expected to make a significant contribution to our results of operations in Fiscal 2022 and Fiscal 2023. Under one of these agreements, we are required to dedicate 1,000 MW of our module manufacturing capacity for exclusive use of manufacturing of products for such customer for the period of such agreement, and we will not be able to use such capacity for manufacture of products for any other customer during such period. In case of breach of such term by us, our customer is entitled to an injunction, a restraining order, a suit for specific performance or equivalent equitable relief. Further, under the terms of agreements with certain of our key customers, such customer may terminate such contract with cause or without cause at relatively short notice. If we fail to meet our contractual obligations in a timely manner, or at all, our customers may be entitled to liquidated damages or may terminate the contract without liability to pay for the work we perform. In the event such risks eventuate, our business, financial condition, results of operations and cash flows could be materially adversely affected.

Certain of our key customer agreements include terms relating to liquidated damages and/ or idling charges per module per month, for any delay in delivery of modules, typically capped at a specified amount. In the event that we notify such customer of a delay in manufacturing of a shipment beyond a certain period of the guaranteed delivery date, such customer is entitled to cancel such shipment without liability to pay for such shipment. In the event of suspension or termination of the agreement between our customer and its end customers, our customer may also require us to cease production for delivery under such agreement. These agreements also involve advance bank guarantees, typically 10% of the contract price, valid for a specified period. In addition, a contract performance corporate guarantee, typically 5% of the basic order value, is also required to be furnished which is typically required to be valid for a period of six months subsequent to date of receipt of the last consignment. In the event of breach of warranties, we are required to indemnify and reimburse the direct loss and damage to the customer. Such agreements can also be typically terminated in event of any default on our part with respect to the terms of such agreement. Certain of our agreements stipulate that we may not terminate such agreement without the express consent of such customer. In addition, in case of an inability on our part to obtain appropriate regulatory approvals including ALMM approvals within a specified period, the customer is entitled to terminate such agreement or reduce the contracted capacity under such agreement.

Since we are dependent on some of our key customers for a substantial portion of our business, the loss of any one of such key customers or a substantial reduction in demand from such key customers could have a material adverse effect on our business, results of operations and financial condition. In addition, as we generally have short to medium term arrangements for supply of our products to customers and our franchisees, there can be no assurance that our significant customers in the past will continue to place similar orders with us in the future. Further, our reliance on such key customers may also constrain our ability to negotiate our pricing and payment terms with them, which may have an impact on our profit margins and financial performance. The deterioration of the financial condition or business prospects of these customers could reduce their requirement of our products and result in a significant decrease in the revenues we derive from these customers. We cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future, all of which could have an impact on our business prospects and financial performance.

14. Any unscheduled or prolonged disruption of our manufacturing operations could materially and adversely affect our business, financial condition, results of operations, and cash flows.

Any unscheduled or prolonged disruption of our manufacturing operations, including power failure, interrupted water supply, fire and unexpected mechanical failure of equipment, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents or any significant social, political or economic disturbances, or infectious disease outbreaks such as the COVID-19 pandemic, could reduce our ability to manufacture our products and adversely affect sales and revenues from operations in such period. The occurrence of any such incidents could also result in a destruction of certain assets, and adversely affect our results of operations. Any such disruption may interrupt our operations, which may interfere with manufacturing process, requiring us to either stop our operations or repeat activities that may involve additional time and increase our costs. In particular, due to the COVID-19 pandemic, operations at all of our manufacturing facilities were temporary suspended for several weeks in the months of April 2020 and May 2020 owing to the lockdown imposed by the GoI, and we subsequently resumed operations in a phased manner from June 2020. Our customers rely on the timely delivery of our products. Although we take precautions to minimize the risk of any significant operational problems at our manufacturing facilities, our customer relationships, business, financial condition, results of operations, and cash flows, may be adversely affected by any disruption of operations at our manufacturing facilities, including due to any of the factors mentioned above.

Disruptions in our manufacturing operations could delay production or require us to temporarily cease operations at our manufacturing facilities. We may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facilities to cease, or limit, production until the disputes concerning such approvals are resolved. As regulatory approvals are site specific, we may be unable to transfer manufacturing activities to another location immediately. Similarly, there is no assurance that those of our manufacturing facilities unaffected by an interruption will have the capacity to increase their output to manufacture products for the affected manufacturing facilities, to the extent that all outstanding orders will be fulfilled in a timely manner. In the event of prolonged interruptions in the operations of our manufacturing facilities, we may have to make alternate arrangements for supplies and products in order to meet our production requirements, which could affect our profitability.

15. ***We may not be able to adequately protect or continue to use our intellectual property. In addition, the use of the brand "Waaree" or similar trade names by third parties could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows.***

We sell our products and services in India directly as well as through our franchisee network. We also export our products and services to customers in various international markets. Our success and ability to compete depends, in part, on our ability to protect our intellectual property and proprietary rights and we generally rely on patent and trademark laws, and confidentiality or license agreements with our employees, consultants, franchisees, customers and other third parties, and generally limit access to and distribution of our proprietary information, in order to protect our intellectual property rights and maintain our competitive position.

We primarily sell our products under the WAAREE brand, which is non-exclusively licensed to us by our Promoter Group company, Waaree Infrastructure and Agritech Private Limited. We cannot assure you that such license agreements will not be terminated or that we will continue to enjoy the right to use such trademarks for the sale of our products and marketing, or that we will not be required to pay any license fee or other fee or costs in connection therewith.

We have registered certain trademarks in India, and may apply for other intellectual property registrations in the future. As on the date of this Draft Red Herring Prospectus, we own three trademarks in the name of our Company and one trademark in the name of our Subsidiary. In addition, we have two trademarks and three patent applications pending in India.

The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary property could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows.

In particular, the use of similar trade names by third parties may result in confusion among our customers, and we are exposed to the risk that entities in India and elsewhere could pass off their products as our products, including imitation products, which may adversely affect sale of our products, resulting in a decrease in market share due to a decrease in demand for our products. Such imitation products may not only result in loss of sales but also adversely affect our reputation and consequently our future sales and results of operations. In the event of such unauthorized use, we may be compelled to pursue legal action for the protection of our brand and intellectual property, which may divert our attention and resources thereby affecting our business operations. However, we may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be adequate to compensate us for the harm suffered. Additionally, we may provoke third parties to assert counterclaims against us. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results. For any of these reasons, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property.

We primarily rely on a combination of trademarks, patents and other intellectual property laws and non-disclosure agreements to establish and protect our intellectual property rights. Our efforts to protect our intellectual property may not be adequate. Unauthorized parties may infringe upon or misappropriate our services or proprietary information. In addition, despite our efforts to comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our manufacturing processes, obtain additional licenses or cease parts of our operations. We may also be susceptible to claims from third-parties asserting infringement and other related claims. Regardless of their merits, such claims could materially and adversely affect our relationships with current or future customers, result in costly litigation, delay or disrupt supply of products, divert management's attention and resources, subject us to significant liabilities, or require us to cease certain activities. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and cash flows.

16. We share the same "Waaree" brand name as our other Waaree group entities which may confuse the public between our Company and these other entities. We are also dependent on these other entities for our reputation and brand name.

Our revenue, results of operation, business and prospects are, to a certain extent, dependent on the strength of our brand and reputation, as well as the brand and reputation of other Waaree group entities. While we have a well-recognised brand, we may be vulnerable to adverse market and customer perception our reputation could be affected by the conduct or performance of third parties over which we have no control, such as other entities that are part of the other Waaree entities.

17. An inability to produce quality products that address customer needs or adopt new solar technologies and in an effective and timely manner may adversely affect our business prospects and financial performance.

Our business depends on our ability to adopt new solar technologies, develop products that address customer needs and deliver quality products to our customers. We may be required to make significant capital investment to adopt evolving technologies for our products. Our competitors may develop production technologies that enable them to produce solar cells and solar modules with higher conversion efficiencies at a lower cost than our current and proposed products. Technologies developed or adopted by others for related solar products may prove more advantageous than ours for commercialization and may render our products obsolete or unable to compete with such products of competitors. As a result, we may need to make significant capital investment to maintain our market position, and effectively compete in the future. We may experience difficulties with the quality of our products, or introduction of new products. An inability to further refine and enhance our products to adapt to or keep pace with evolving technologies and industry standards could cause our products to become uncompetitive or obsolete. In addition, there is no assurance that our new products will be successful in gaining market acceptance. If our products do not deliver reliable results, or if we fail to introduce products that meet customer preferences in a timely and cost-effective manner, we may fail to retain our existing customers and increase demand for our products. The development of new solar products may require substantial investment, and we have no assurance that such investment will be successful. If customers do not widely adopt our products, we may not be able to realize a return on our investment and our business prospects and financial condition performance may be adversely impacted. In addition, the cost of upgrading our manufacturing capacities or implementing new technologies, replacing existing equipment or expanding our manufacturing capacity to accommodate technology advancements in the manufacture of PV modules or solar cells could be significant, and may adversely affect our financial performance if we are unable to pass on such costs to our customers. Failure to respond to current and future technological changes in an effective and timely manner may adversely affect our business prospects and financial performance.

18. There are outstanding material legal proceedings involving our Company, Subsidiaries and Directors.

There are outstanding legal proceedings involving our Company, Subsidiaries and Directors which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert our management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could materially adversely affect our reputation, business, financial condition and results of operations.

A summary of such outstanding material legal proceedings involving our Company, Subsidiaries, Directors and Promoters as on the date of this Draft Red Herring Prospectus is set out below:

Particulars	Number of cases	Amount, to the extent quantifiable (in ₹ million)
Litigation involving our Company		
Outstanding criminal litigation by our Company	2	3.50
Other pending material litigation proceedings against our Company	4	50.40
Other pending material litigation proceedings by our Company	6	413.76
Claims related to direct and indirect taxes	15	116.05
Litigation involving our Subsidiaries		
Outstanding criminal litigation by our	1	6.88

Subsidiaries		
Claims related to direct and indirect taxes	1	*Not quantifiable*
Tax proceedings involving our Directors		
Claims related to direct and indirect taxes	7*	4.11*
Tax proceedings involving our Promoters		
Claims related to direct and indirect taxes	5	2.24

**This includes the claims related to direct and indirect taxes involving the Promoters who are also Directors of our Company*

For further information, see "*Outstanding Litigation and Other Material Developments*" at page 358.

19. Compliance with, and changes in, environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures which may adversely affect our business operations and financial performance.

Our operations are subject to environmental, health and safety and other regulatory and/or statutory requirements in the jurisdictions in which we operate and involve the use, handling, generation, processing, storage, transportation, and disposal of certain materials during the manufacturing of our products. As we introduce backward integration measures manufacturing solar cells, even more stringent environmental, health and safety regulations will be applicable to us at local, state, national, and international levels. We have to obtain certain environmental permits in order to conduct our business. These environmental laws and regulations include those governing the discharge of pollutants into the air and water, the use, management, and disposal of certain materials, the clean-up of work sites and occupational health and safety. As we execute our long-term strategic plans our environmental compliance burden may continue to increase in terms of magnitude and complexity. We have incurred and may continue to incur significant costs in complying with these laws and regulations. Our operations in India are subject to various health and safety laws and regulations as well as laws and regulations relating to employees such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labour and work permits. Accidents, in particular fatalities, may have an adverse impact on our reputation and may result in fines and/or investigations by public authorities as well as litigation from injured workers or their dependents. While we have not had any past instances of non-compliance, we cannot assure you that this will continue to be the case. Non-compliance with these laws and regulations could expose us to civil penalties, criminal sanctions and revocation of key business licences. Any significant changes in applicable regulations or stringent enforcement thereof cause us to incur additional direct costs in complying with any new environmental regulations, as well as increased indirect costs resulting from our customers and/or suppliers, incurring additional compliance costs that get passed on to us.

As a consequence of unanticipated regulatory or other developments, regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims.

20. Our export sales make our operations subject to risks and uncertainties of various international markets.

We export our products to various international markets. In Fiscal 2019, 2020 and 2021, Export Sales was ₹2,178.97 million, ₹2,285.65 million and ₹4,809.32 million and represented 13.70%, 11.45% and 24.63% respectively, of our revenue from operations in such periods. The international markets in which we sell our products are diverse, with varying levels of economic and infrastructure development, adoption of renewable energy sources, and distinct legal and regulatory systems, and do not operate seamlessly across borders as a single or common market. We may therefore be subject to risks inherent in doing business in markets outside India, including risks related to: respective legal and regulatory environment; complex local tax regimes; payments by international customers; security issues; unexpected changes in regulatory environment and enforcement; challenges caused by distance, language and cultural differences; ensuring timely supply of products and provision of related support to customers in such markets; costs associated with doing business in multiple markets; fluctuations in currency exchange rates; difficulties in implementing hedging measures; political, social or economic instability; difficulties in managing exports to multiple international locations; and exposure to local banking, currency control and other financial related risks.

We cannot assure you that in the event of a dispute with any of our significant international customers, we will be able to successfully defend our position, and any adverse decision may adversely impact our financial position, results of operations and cash flows. If we are unable to manage our relationship with our international customers, our financial results could be adversely affected, which may impact profit margins or make it increasingly difficult for us to conduct business in foreign markets. We intend to continue to expand our customer base within international markets we currently export our products to, as well as in additional international markets. We may have limited or no experience in marketing and managing exports of our products to new international markets, which may require considerable management attention and resources for managing our growing business in such markets. Any failure to maintain our existing sales or expansion in international markets will have an adverse impact on our results of operations and financial condition.

21. ***Unsatisfactory performance of or defects in our products may cause us to incur additional expenses and warranty costs, damage our reputation and cause our sales to decline.***

Our products may contain defects that are not detected until after they are shipped or inspected by our customers. Our modules are typically sold with a 10-year warranty for product manufacturing defects and with a 25-year warranty relating to output performance of our modules. If a manufacturing defect is discovered during the relevant warranty period, we are required to either repair or replace the solar module or refund the purchase price of the module without interest or any charge. As we continue to expand our operations and increase our sales in existing and new markets, we may be exposed to increased warranty claims In Fiscal 2019, 2020 and 2021, our warranty expense was ₹65.18 million, ₹85.77 million and ₹72.31 million, which represented 0.41%, 0.43% and 0.37%, respectively, of our revenue from operations in such periods. Our provision for warranty was ₹153.89 million, ₹236.83 million and ₹304.00 million, which represented 0.97%, 1.19% and 1.56%, respectively, of our revenue from operations in such periods. We may incur significant repair and replacement costs associated with such claims. Further, we are exposed to product liability claims in the event that the use of our products results in property damage or personal injury, whether as a result of product malfunctions, defects, improper installations or other causes. The successful assertion of product liability claims against us could result in potentially significant monetary damages and require us to make significant payments. Although we have availed product liability insurance coverage, such insurance coverage may be limited and may not be adequate to fully cover any such claim or damages, and we may not have adequate resources to satisfy a judgment in the event of a successful claim against us. In addition, real or perceived product defects could cause significant damage to our market reputation resulting in decrease in sales and market share. An inability to maintain the consistency and quality of our products and manufacturing process could result in substandard quality or performance of our products. If we deliver our products with defects, or if there is a perception that our products are of substandard quality, we may incur substantially increased costs associated with returns or replacements of our products, our credibility and market reputation could be harmed and our sales and market share may be adversely affected.

22. ***We are in the process of expanding our operations and targeting new customers and franchisees in markets where we do not have a significant presence and prior experience. Any failure to expand into these new markets or regions could adversely affect our sales, financial condition, result of operations, and cash flows.***

In order to cater to the growing market demand for our products and expand our presence across India, we are in the process of deepening our presence in states that we have recently entered, and expanding our presence to additional cities and towns in states where we have been present for a considerable period. We also continue to plan on increasing our export sales by targeting additional international markets. We may not possess the same level of familiarity with the economic condition, customer base and commercial operations in the new markets we propose to enter and therefore, we will be initially exposed to a degree of risk in realization and volume of sales. There can be no assurance that our plans to expand in these new markets will be successful, as our competitors may have more established brands, more experience in trends and deeper relationships with customers in these markets. Further, having limited or no presence in such new markets as compared to some of our competitors, may lead to lower product pricing due to lack of brand presence and higher expenditure on brand building. As a result, it may be more expensive for us to sell our products in these new markets and it may take longer to reach expected sales and profit levels than anticipated, which could affect the viability of these markets or our overall profitability. There can be no assurance that our products will gain market acceptance or meet the particular requirements of customers in these new markets and regions, which may adversely impact our reputation in this these new markets and regions, and our sales, financial condition, results of operations, and cash flows could be materially and adversely affected.

23. An inability to provide adequate customer support and ancillary services may adversely affect our relationship with our existing and prospective customers, and in turn our business, results of operations and financial condition.

Our customers depend on customer support and ancillary services, which in some cases may be provided by third-party partners such as our franchisees, to resolve technical and operational issues in a timely manner. We and our franchisees may be unable to timely respond to accommodate short-term increases in demand for our products or associated customer support including maintenance. We also may be unable to modify the nature, scope and delivery of such services to compete with support services provided by our competitors. Increased operational requests, without corresponding revenue, could increase costs and adversely affect our results of operations and financial condition. Our sales are dependent on our reputation and on positive recommendations from our existing customers. Any failure to maintain adequate and timely customer support and ancillary services, or a market perception that we are unable to do so, could adversely affect our business prospects and financial performance.

24. Damage to and/or malfunction of any of our operating systems or cyber security risks could disrupt our operations and adversely affect our business, financial condition and results of operations.

We rely on our information technology systems for our operations and on their reliability and functionality for our business success. Its reliability and functionality can be affected by a number of factors, including, but not limited to, the increasing complexity of the IT systems, frequent change and short life span due to technological advancements and data security. If our IT systems malfunction or experience extended periods of downtime, we may not be able to run our operations safely or efficiently. We are subject to cyber security risks and may incur costs to minimize those risks.

Our systems are subject to damage or incapacitation by natural disasters, human error, power loss, sabotage, acts of terrorism and similar events or the loss of support services from third parties. Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, manage product lifecycle, payables and inventory or otherwise conduct our normal business operations.

Cyber security breaches, such as unauthorized access, accidents, employee errors or malfeasance, computer viruses, computer hackings or other disruptions could compromise the security of our data and operations, thereby exposing such information to unauthorized access by third parties. Techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and generally are not recognized until launched against a target. We may be required to deploy significant capital and other resources to remedy, protect against or alleviate these and related problems, and we may not be able to remedy these problems promptly, or at all. Any security breaches that occur could disrupt our operations, increase our security costs, or expose us to potential losses due to disruption of our operations or information leakage, which could have a material adverse effect on our business, financial condition and results of operations.

Further, any damage or system failure that causes interruptions or delays in the input, retrieval or transmission of data could disrupt our normal operations and possibly interfere with our ability to undertake manufacturing of our products and projects pursuant to the requirements of our contracts. Although no such incidents have occurred in the past, should such an interruption or delay occur, we can neither assure you that it will not result in the loss of data or information that is important to our business nor that we will be able to restore our operational capacity within a sufficiently adequate time-frame to avoid disruptions to our business. If our systems malfunction or experience extended periods of downtime, we will not be able to run our operations safely or efficiently. We may suffer losses in revenue, reputation, volume of business, and our business, financial condition and results of operation may be materially and adversely affected.

25. The loss of accreditation for our manufacturing facilities and operations could damage our reputation, business prospects and financial performance.

Our quality certifications and accreditations are critical for sales to our customers. Our laboratory is NABL accredited, and we have also obtained various quality and process certifications including ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. Our manufacturing facilities and operating process are also audited by third party auditors. In the event we fail to comply with the requirement of undergoing third-party audits, or fail our audits, we may be in breach of our arrangements with certain customers. In the event we are unable to comply with the accreditation criteria or if such agencies find that we are not in compliance with the standards and norms prescribed, our accreditation may be revoked or we may not be granted accreditation. To ensure continued accreditation with such agencies, we must ensure consistency and maintain the quality of our products and our manufacturing processes. If we lose one or more of our accreditations or certifications, our reputation and business prospects may be adversely affected.

26. We are dependent on third-party transportation providers for the supply of materials for our manufacturing process and delivery of our finished products.

Our success depends on the supply and transport of the various materials required to our manufacturing facilities from suppliers and of our finished products from our manufacturing facilities to our customers and franchisees, which are subject to various uncertainties and risks. We use third-party freight and transportation providers for the delivery of materials to manufacturing facilities and our finished products to customers. Transportation strikes, if any, could have an adverse effect on supplies and deliveries to our customers and from our suppliers. Further, on account of the COVID-19 pandemic, operations of these third-party transportation providers were affected from time to time.

In addition, materials and components, as well as our products shipped to customers, may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of materials and delivery of such materials to us is delayed, we may be unable to meet orders in a timely manner or at all. Any such inability may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. Although we have not encountered any instances of material delays in the past, we cannot assure you that we will not experience such delays in the future. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. Our transportation, freight, duty and handling charges were ₹339.92 million, ₹796.26 million and ₹932.38 million in Fiscal 2019, 2020 and 2021, respectively, and represented 2.14%, 3.99%, and 4.77%, respectively, of our revenue from operations in such periods. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

27. Exchange rate fluctuations may adversely affect our results of operations.

We are exposed to foreign exchange related risks as a portion of our revenue from operations are in foreign currency, including the US Dollar. Similarly, a significant portion of our expenses, particularly cost of materials relating to import of solar cells and other materials used in manufacturing our modules, as well as imported equipment used in our manufacturing facilities are denominated in currencies other than Indian Rupees. In Fiscal 2019, 2020 and 2021, expenses in foreign currency were ₹10,190.56 million, ₹13,749.44 million and ₹12,228.05 million and represented 65.87%, 69.99% and 63.44%, respectively, of our total expenses in such periods. A significant or frequent fluctuation in the exchange rate between the Indian Rupee and other currencies, may adversely affect our results of operations. For further details, see "*Restated Consolidated Financial Statements – Annexure VI – Note 50: Financial Risk Management*" on page 308.

The exchange rate between the Indian Rupee and foreign currencies, primarily the US Dollar, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our revenue from export sales will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations. We may be required to make provisions for foreign exchange differences in accordance with accounting standards.

Our ability to predict future foreign currency fluctuations is limited and due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of the Rupee. In addition, we import a significant amount of materials from China to manufacture our products. In Fiscal 2019, 2020 and 2021, our cost of imported materials was ₹9,961.30 million, ₹13,674.27 million and ₹12,191.48 million, which represented 77.86%, 76.00% and 68.41%, respectively, of our total purchases in such periods. Transactions and payments for such imports may be conducted in foreign currency. We may, therefore, be exposed to risks arising from exchange rate fluctuations and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and as a result, suffer losses on account of foreign currency fluctuations. While we enter into foreign currency hedging transactions from time to time, there is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline.

28. ***Our business is working capital intensive. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations.***

Our business requires significant amount of working capital primarily as a considerable amount of time passes between purchase materials and components and sale of our products. As a result, we are required to maintain sufficient stock at all times in order to meet manufacturing requirements, thus increasing our storage and working capital requirements. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future, or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions and the effect of events such as the COVID-19 pandemic, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. For instance, as a result of the COVID-19 pandemic, certain of our customers and franchisees had requested for modifications to their payment terms, which temporarily increased our cash flow requirements.

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. We cannot assure you that we will not experience insufficient cash flows or be able to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debt, which could materially and adversely affect our business and results of operations. Although we sell products either against advance payment or against letter of credit which, coupled with our internal accruals, may be able to support our working capital requirements, we cannot assure you that this will have sufficient liquidity to meet our working capital requirements. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations, financial condition, and cash flows could be materially and adversely affected. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business, and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations, financial condition, and cash flows.

29. ***Inability to meet the quality standard norms prescribed by applicable regulatory authorities in the markets we sell our products could result in the sales of our products being banned or suspended or becoming subject to significant compliance costs, which could have a material adverse effect on our business prospects and financial performance.***

The quality of the products being manufactured by us is open to independent verification by various regulatory authorities in the markets we sell our products. These regulatory authorities may carry out inspection of our manufacturing facilities, stores, laboratory, equipment, machinery, manufacturing or other processes and sample checks on any material or component in relation to our product at short notice or without notice. Such regulatory authorities could impose fines or issue us show cause notices if the samples are not in conformity with the prescribed quality norms. Although we have not faced such issues in the past, there can be no assurance that we will not be so penalised in the future. Failure on our part to adhere to the quality norms prescribed by such regulatory authorities could lead to recall of our products or we may be liable to pay a penalty. Any such adverse order could generate adverse publicity about us and our products, which could have a material adverse effect on our business prospects and financial performance.

30. We bid for projects that expose us to risks related to projects of this nature.

We bid for certain solar projects from time to time, which exposes us to certain risks. In such projects, we are generally exposed to execution risks that could be caused by various factors, including delay in obtaining approvals, delays in execution, cost overruns etc. This may result in levy of damages and may also result in revenue losses. In particular, large size solar Power projects typically involve longer execution periods to deliver and complete. The time and costs required to complete such projects may increase on account of factors such as price escalation, funding constraints, shortage of materials, equipment, technical constraints, adverse weather conditions, natural disasters, labour disputes, disputes with contractors, accidents, changes in government priorities and policies, changes in market conditions, interest rates, delays in obtaining requisite approvals from the relevant authorities or other unforeseeable circumstances. Any of these factors may delay or prevent completion of such projects and may lead to unforeseen increases in costs and could adversely impact of business, financial condition and results of operations.

We have entered into a number of power supply agreements with state power generation companies to be performed by our subsidiaries. Pursuant to such agreements we are required to operate the project for a specified period (typically 25 years) from the commercial operation date, subsequent to which the ownership of the project is required to be transferred in operational condition. Under these arrangements, we are required to sell all available capacity from identified solar PV grid-interactive power plants to the extent of contracted capacity on first priority basis to the purchaser, and not to any third party. Financial closure is required to be arranged within a specified period (typically 12 months) months from date of handing over of the project land, failing which our performance bank guarantee may be invoked. We are not permitted to inject power three months prior to scheduled commercial operation date from the project/unit without the consent of the purchaser. In the event that generation exceeds certain levels relative to the capacity utilisation factor specified, we are then permitted to sell excess power generated to third parties, provided that the purchaser is entitled to a right of first refusal at a certain percentage of the tariff rate. In addition, a change in controlling shareholding of our subsidiary companies will result in an event of default, which could result in us being liable to pay damages as well as termination of such agreement. Inability to operate such projects or otherwise termination of such agreements as a result of our default or other factors beyond our control could adversely impact of business, financial condition and results of operations.

31. Improper storage, processing and handling of materials and products may cause damage to our inventory leading to an adverse effect on our business, results of operations and cash flows.

Our inventory primarily consists of materials and components used in our manufacturing operations, and finished products. Our materials, manufacturing processes and finished products are susceptible to damage or contamination if not appropriately stored, handled and processed, which may affect the quality of the finished product. In the event such damage or contamination is detected at the manufacturing facility during quality checks, we may have to suspend manufacturing activities, and lower capacity utilizations, which could materially and adversely affect our business prospects and financial performance. Improper storage may also result in higher than usual damage to our inventory due to adverse weather conditions or longer than usual storage periods, which may also require us to incur additional expenses in replacing that portion of the inventory and/ or incur additional expenses in maintenance and improvement of our storage infrastructure, which may adversely affect our profit margin.

32. An inability to obtain or maintain regulatory approvals and permits required for our business operations in a timely manner may adversely affect our business prospects and financial performance.

Majority of our revenue comes from our sale of solar PV modules. Our manufacturing business requires various governmental approvals and may be subject to restrictions or regulations stipulated by the relevant government authorities, which can vary from state to state.

For instance, in relation to our sale of services, particularly, EPC services, we may be required to obtain certain regulatory approvals and permits in connection with our provision of these services. Although we have not experienced any delays in the past in obtaining or renewing such approvals and permits, we cannot assure you that we will be able to obtain or renew such approvals in a timely manner, or at all, in the future. If we fail to obtain or renew such licenses, approvals, registrations and permits in a timely manner, we may not be able to continue our manufacturing operations and fulfil our contractual obligations in a timely manner, if at all, which could adversely affect our business and results of operations. There may also be delays on the part of governmental authorities in reviewing applications and granting approvals. Any delay or failure in the issuance of an approval essential to our operations or the imposition of onerous conditions may impair our ability to meet contractual deadlines and expose us to contractual liability for breach of contract.

Similarly, expansion of our manufacturing facilities and backward integration measures may require obtaining additional licenses, permits and approvals from statutory bodies. We cannot assure you that we will be able to obtain or renew such approvals in a timely manner, or at all. If we fail to obtain or renew such licenses, approvals, registrations and permits in a timely manner, our commissioning date for our expansion plans and backward integration plans may be delayed, which could adversely affect our business and results of operations.

Furthermore, government approvals and licenses are subject to numerous conditions, including regular monitoring and compliance requirements, some of which are onerous and require us to incur substantial expenditure. We may incur substantial costs, including clean up and/or remediation costs, fines and civil or criminal sanctions, as a result of violations of or liabilities under environmental or health and safety laws, which may have a material adverse effect on our business or financial condition. We cannot assure you that approvals, licenses, registrations, consents and permits issued to us would not be suspended or revoked in the event of non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

33. ***We bid for projects through a competitive bidding process, and we may not be able to qualify for, compete or win such projects, which could adversely affect our business prospects and results of operations.***

We bid for projects through a competitive bidding process, where projects are awarded following competitive bidding processes and satisfaction of prescribed qualification criteria. While quality of products and offerings, manufacturing capacity and performance, as well as reputation and experience and sufficiency of financial resources are important considerations in authority decisions, there can be no assurance that we would be able to meet such qualification criteria, particularly for larger projects. We cannot assure you that we would bid where we have been prequalified to submit a bid or that our bids, when submitted or if already submitted, would be accepted.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. We are not in a position to predict whether and when we will be awarded a new contract. Projects awarded to us may be subject to litigation by unsuccessful bidders, which may result in delay in award of the projects and/or notification of appointed dates, for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to incur substantial expenditure, time and resources in defending such litigation. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

34. ***We may be exposed to additional risks associated with engaging with government institutions and public sector undertakings that could materially and adversely affect our business, results of operations, financial position and cash flows.***

We depend on government institutions and public sector undertakings for some of our business, which may increase in the future. Contracts with government institutions and public sector undertakings may be subject to extensive internal processes and policy changes. Due to these and other factors, certain terms of such contracts, such as pricing terms, contract period, use of sub-contractors or ability to make appropriate adjustments may be less flexible than contracts with private companies. Further, payments from government entities may be subject to delays due to regulatory scrutiny and procedural formalities. In addition, certain government entities may be subject to audits by applicable regulatory authorities.

35. ***The geographical concentration of our manufacturing facilities may restrict our operations and adversely affect our business and financial conditions.***

We currently operate three manufacturing facilities comprising four factories in India. We are also in the process of setting up another manufacturing facility at Chikhli in Gujarat, India. Due to the geographic concentration of our manufacturing operations, our operations are susceptible to disruptions caused by local and regional factors, including agitations, accidents, system failures, economic and weather conditions, natural disasters, demographic factors, and other unforeseen events and circumstances. Our manufacturing facilities may be affected, and there may be significant delays in shipments of our products, which could materially and adversely affect our business, financial condition and results of operations.

36. The loss of one or more members of our senior management or key employees may adversely affect our ability to conduct our business and implement our strategy. Our success depends upon our management team and skilled personnel and our ability to attract and retain such persons.

We benefit from the experience of our Board of Directors and the senior management team who have extensive industry knowledge and expertise, and the loss of any of them could adversely affect our business, growth and results of operations. Our Board of Directors and our senior management have been instrumental in implementing our growth strategies and expanding our business.

We also depend on our ability to retain and motivate key employees and attract qualified new employees. Because the renewable energy industry is relatively new in India, there is a scarcity of skilled personnel with experience in the industry. If we lose a member of the management team or a key employee, we may not be able to replace him or her. As of March 31, 2019, 2020 and 2021, we had 542, 497 and 490 full-time employees. Our employee attrition rate in Fiscal 2019, 2020 and 2021 was 17.63%, 35.10% and 30.58%, respectively. Integrating new executives into our management team and training new employees with no prior experience in the renewable energy industry could prove disruptive to our operations, require a disproportionate amount of resources and management attention and may ultimately prove unsuccessful. An inability to attract and retain sufficient technical and managerial personnel could limit our ability to effectively manage our operations on schedule and within budget, which may adversely affect our business and strategy implementation.

37. Our Restated Consolidated Financial Statements for the relevant financial reporting periods are not comparable on account of certain acquisitions and divestments made by our Company in the relevant financial reporting periods. In addition, the impact of such acquisitions and divestments are not fully reflected in our Restated Consolidated Financial Statements, and our Restated Consolidated Financial Statements may not accurately represent our future financial performance.

We have completed certain acquisitions and divestments in the last three fiscal years. For further details, see "*Management's Discussion and Analysis of Financial Statements – Presentation of Financial Information – Acquisitions and Divestments*" on page 328. In particular, our Company completed, with effect from March 5, 2021, through business acquisition on a slump sale basis, acquisition of 500 MW PV module manufacturing capacity in Nandigram, Gujarat from Waaree Renewables Private Limited, to increase our Company's installed capacity from 1.5 GW to 2 GW. Accordingly, our Restated Consolidated Financial Statements relating to such fiscal period is not comparable to our Restated Consolidated Financial Statements for Fiscal 2019 and 2020.

In this Draft Red Herring Prospectus, we have not included any pro forma profit and loss statement or balance sheet statement, as applicable, prepared in accordance with the laws and regulations of the United States, India or any other jurisdiction, which would have shown the effect of such acquisitions and divestments completed in Fiscal 2019, 2020 and 2021, on our historical results of operations and financial condition. We have also not included any historical audited or restated financial statements of such acquisitions or divestments in this Draft Red Herring Prospectus. Potential investors should carefully take into account the discussion above, our Restated Consolidated Financial Statements, and the discussions in "*Management's Discussion and Analysis of Financial Statements – Presentation of Financial Information*" on page 328, in evaluating our business and financial performance and in making any investment decision.

38. Our former statutory auditors have included certain observations in the audit reports, pursuant to the Companies Auditor's Reports Order, 2016.

Our former statutory auditors have included certain observations in the audit reports on our audited financial statements for Fiscal 2019 and 2020, pursuant to the Companies Auditor's Reports Order, 2016, which include non-registration of title deed of an immovable property, granting of loans below the prescribed statutory interest rates and non-compliance of section 185 of the Companies Act. There can be no assurance that our statutory auditors will not in the future make any modifications, reservations, qualifications, adverse observations or matters of emphasis in our audited financial statements.

39. Our business has grown rapidly in recent periods, and we may not be able to sustain our rate of growth in the future.

Our business has grown rapidly in recent years. Our revenue from operations increased at a CAGR of 10.79% from ₹15,910.35 million in Fiscal 2019 to ₹19,527.76 million in Fiscal 2021, and EBITDA for Fiscal 2019, 2020 and 2021 was ₹1,653.59 million, ₹1,177.78 million and ₹1,254.23 million, respectively, while EBITDA margin was 10.25%, 5.83% and 6.29%, respectively, in such periods.

We may not be able to sustain our historical growth rate for various reasons beyond our control. Success in executing our growth strategy is contingent upon, among other factors: accurately prioritising geographic markets for entry, including by making accurate estimates of addressable market demand; our ability to source for materials at cost-effective prices; employing skilled employees and engaging appropriate contractors; bidding for and winning solar energy projects on acceptable terms; effectively tracking bid policies and bid updates; obtaining cost-effective financing needed for our expansion plans, including for our planned expansion of additional 3 GW module manufacturing capacity; succeeding in our strategy in relation to backward integration into solar cell manufacturing by setting up 4 GW solar cell manufacturing capacity; negotiating favorable payment terms with customers and entering into contractual arrangements that are commercially acceptable to us; and continued availability of economic incentives along expected lines.

Our existing operations, personnel and systems may not be adequate to support our growth and expansion plans and we may be required to make additional investments in our business systems and processes, and manage our employee base. As we expand our manufacturing operations as well as target new markets, we also expect to encounter additional challenges in relation to regulatory hurdles and capital financing. These factors may restrict our ability to take advantage of market opportunities, execute our expansion plans successfully, respond to competitive pressures and maintain our historical growth rates.

40. We may be subject to unionization, work stoppages or increased labour costs, which could adversely affect our business and results of operations.

The success of our operations depends on availability of labour and maintaining a good relationship with our workforce. As of June 30, 2021, we employed 503 employees across our various manufacturing facilities and offices. In addition, we also employ contract labourers for conducting various activities at our manufacturing facilities. Although we have not experienced any major interruption to our operations as a result of labour disputes in the past, there can be no assurance that we will not experience any such disruption in the future as a result of disputes or disagreements with our work force, which may adversely affect our ability to continue our business operations. We may also have to incur additional expense to train and retain skilled labour. We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that imposes financial obligations on employers upon retrenchment. There can be no assurance that we will not experience labour unrest in the future, which may delay or disrupt our operations. Any labour unrest including labour disputes, strikes and lock-outs, industrial accidents, experienced by us could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. In the event of any prolonged delay or disruption our business, results of operations and financial condition could be materially and adversely affected.

41. We may be subject to significant risks and hazards when operating and maintaining our manufacturing facilities, for which our insurance coverage might not be adequate.

We currently operate 2 GW module manufacturing capacity, and intend to increase our module manufacturing capacity by 3 GW, and also implement backward integration measures by setting up 4 GW solar cell manufacturing capacity. We generally perform scheduled and unscheduled maintenance and operating and other asset management services. We sub-contract certain maintenance services to third-parties who may not perform their services adequately. In addition to natural risks such as earthquake, flood, lightning, cyclones and wind, other hazards, such as fire, structural collapse and equipment failure are inherent risks in our operations. These and other hazards can cause personal injury or loss of life, severe damage to and destruction of property, plant and equipment and contamination of, or damage to, the environment and may result in the suspension of operations.

Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our operation sites, and we have not experienced such incidents in the past, there can be no assurance that we will not face such disruptions in the future.

During the manufacturing period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations. The occurrence of any one of the above events may result in our being named as a defendant in lawsuits asserting claims for substantial damages, including for personal injury and property damage and fines and/or penalties.

We maintain an amount of insurance protection that we consider adequate including insurance policy covering fire, damage to buildings, plant and machinery, stocks (materials and finished products), vehicles, and policy covering damage to stocks. We may not have identified every risk and further may not be insured against every risk because such risks are either uninsurable or not insurable on commercially acceptable terms, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies such as COVID-19 and other pandemics, or due to the same being inadequate, could materially harm our cash flows, financial condition and future results of operations. We cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. Our insurance cover for property, plant and equipment, and inventory, as of March 31, 2021 was ₹7,017.50 million, while our gross block of property, plant and equipment (including solar power plant of ₹72.52 million recognised as intangible assets) and inventory, was ₹6,761.00 million, and our total assets (including all current and non-current assets) was ₹12,805.21 million. Consequently, our insurance cover as a percentage of gross block of property, plant and equipment, and inventory, was 103.79%, and our insurance cover as a percentage of total assets (including all current and non-current assets) was 54.80%, as of March 31, 2021. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further information on our insurance arrangements, see "*Our Business – Insurance*" on page 181.

42. We are exposed to credit risk from our customers and the recoverability of our trade receivables is subject to uncertainties.

We typically allow certain credit period to some of our customers and are therefore exposed to credit risk from such customers. In Fiscal 2019, 2020 and 2021, our trade receivables amounted to ₹2,151.50 million, ₹1,402.42 million, and ₹1,167.24 million, respectively, while our trade receivable turnover days were 49 days, 26 days and 22 days in Fiscal 2019, 2020 and 2021, respectively, in such periods. Our bad debts was ₹64.57 million, ₹44.56 million and nil for Fiscal 2019, 2020 and 2021, respectively, in such periods. For further information, see "*Restated Consolidated Financial Statements – Annexure VI – Note 37*" on page 289.

A customer's ability to make payments on timely basis depend on various factors such as the general economic and market conditions and the customer's cash flow position, which are out of our control. Delays in receiving payments from our customers may adversely affect our cash flow position and our ability to meet our working capital requirements. There is no assurance that our customers will pay us on a timely basis or at all, which may adversely affect the recoverability of our trade receivables, or that we will be able to efficiently manage the level of bad debt arising from delayed payments.

Bringing action against our customers to enforce their contractual obligations is often difficult and there can be no assurance that if we initiate any legal proceedings against any such entities, we will receive a judgment in our favour or on a timely basis. A failure by any of our customers to meet its contractual commitments, or an insolvency or liquidation of any of our customers, could have an adverse effect on our financial condition and results of operations. In the event we are unable to recover such payments, our business, financial condition and results of operations could be adversely affected.

43. Growing our business through acquisitions or joint ventures may subject us to additional risks that may adversely affect our business, financial condition, results of operations and prospects.

We may consider expanding our business through strategic acquisitions of or joint ventures with other entities. Successful integration of acquired entities will depend on our ability to effect any required changes in operations or personnel, and may require capital expenditure. We may encounter difficulties in integrating the processes, systems and employees in a timely and cost-effective manner, difficulties in establishing effective management information and financial control systems, challenges to assimilating corporate culture, and unforeseen legal, regulatory, contractual or other issues. Any such acquisitions or joint ventures in the future involve risks that could materially and adversely affect our business, including the failure of such acquisitions to achieve the expected investment results.

In addition, liabilities may exist that we do not discover in our due diligence prior to the consummation of an acquisition or joint venture, or circumstances may exist with respect to the entities or assets acquired that could lead to future liabilities, litigation or reputational risk and unforeseen payments by us. In each case, we may not be entitled to sufficient, or any, recourse against the vendors or contractual counterparties to an acquisition or joint venture agreement. The discovery of any material liabilities subsequent to an acquisition or joint venture, as well as the failure of a new acquisition or joint venture to perform according to expectations, could have an adverse effect on our business, financial condition, results of operations and prospects.

Our Company and Azure have entered into a technology tie-up agreement as well as a joint venture agreement was entered into between our Company, Waaree Power Private Limited, and Azure for a tender issued by Solar Energy Corporation of India Limited. Azure has subsequently indicated its intention to terminate such agreements, which is currently under discussion. There can be no assurance that the termination of such agreement with Azure will not have an adverse impact on our business prospects or future financial performance. For further information, see "*History and Certain Corporate Matters – Significant financial and/or strategic partners*" on page 193.

44. If we are unable to establish and maintain effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India, including within the solar energy industry. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

45. ***We have certain contingent liabilities and capital commitments that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.***

We usually need to provide performance guarantees when we undertake projects, which are often demanded by our customers to protect them against potential defaults by us. We are also often required to have our lenders issue letters of credit in favour of our suppliers for purchases of equipment and raw materials. We thus may have substantial contingent liabilities and capital commitments from time to time depending on the projects we undertake and the amount of our purchases.

As of March 31, 2021, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

Particulars	**Amount (₹ million)**
Claims against the parent company not acknowledged as debts	130.61
Disputed statutory liability of parent company	98.33
Guarantee given by bank on behalf of parent company	483.42
Guarantee/Indemnity given by parent company to others	786.66
Letter of credit outstanding of parent company	535.50
Inland/export bill discounting of parent company	1,770.56
Total	**3,805.07**

As of March 31, 2021, our capital commitments that have not been accounted for in our financial statements, were as follows:

Particulars	**Amount (₹ million)**
Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,052.64
Total	**1,052.64**

For further details, see "*Restated Consolidated Financial Statements – Annexure VI – Note 42: Contingent Liabilities, Assets and Commitments*" on page 290. If a significant portion of these liabilities materializes, it could have an adverse effect on our business, financial condition and results of operations.

46. ***Information relating to the installed capacity, effective installed capacity and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus are based on certain assumptions and estimates and future production and capacity may vary.***

Information relating to the installed capacity, effective installed capacity and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer in the calculation of the installed capacity, effective installed capacity and capacity utilization of our manufacturing facilities. The information relating to the installed capacity and effective installed capacity of the manufacturing facilities for the periods indicated are based on various assumptions and estimates that have been taken into account by us for calculation of the installed capacity and effective installed capacity. These assumptions and estimates include standard capacity calculation practice in the PV module industry, including with respect to the period during which the manufacturing facilities operate in such period and the average efficiency of PV modules to be manufactured during such period. Further, capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate effective installed capacity of the manufacturing facilities during the relevant period, taking into account capacity addition during such periods. For further information, see "*Business – Our Business Operations – Capacity and Capacity Utilization*" on page 175.

Further, the requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. We often increase capacity to meet the anticipated demand of our customers or significantly reduce production of certain products depending on potential orders. Certain products require lesser process time whereas certain products require more process time in the same manufacturing set-out that we have installed. Accordingly, actual production levels and capacity utilization rates may differ from the installed capacity and effective installed capacity of our manufacturing facilities. Undue reliance should therefore not be placed on our historical installed capacity, historical effective installed capacity and capacity utilization information for our existing manufacturing facilities included in this Draft Red Herring Prospectus.

47. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

We have used the report titled "*Solar power market in India*" dated September 2021 by CRISIL appointed on July 3, 2021, for purposes of inclusion of such information in this Draft Red Herring Prospectus, and exclusively commissioned by our Company for purposes of inclusion of such information in the Offer Documents at an agreed fees to be paid by our Company. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed, and dependability cannot be assured. Given the scope and extent of the CRISIL Report, disclosures are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in this Draft Red Herring Prospectus. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. The report is a paid report, and is subject to various limitations and based upon certain assumptions that are subjective in nature. While we have taken reasonable care in the reproduction of the information, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Further, there is no assurance that such information are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. Also see, "*Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data*" on page 16.

48. We have in the past entered into a number of related party transactions and may continue to enter into related party transactions in the future, and there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.

In the ordinary course of our business, we have entered into transactions with related parties. There can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Although all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act, 2013, as amended and the SEBI Listing Regulations, we cannot assure you that such transactions in the future, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance to you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition and results of operations. Further, the transactions with our related parties may potentially involve conflicts of interest. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

In Fiscal 2019, 2020, and 2021, the aggregate amount of such related party transactions was ₹1,532.17 million, ₹2,334.67 million, and ₹5,714.27 million, respectively. The percentage of the aggregate value such related party transactions to our revenue from operations in Fiscal 2019, 2020 and 2021, was 9.63%, 11.70% and 29.26%, respectively. For further information, see "*Related Party Transactions*" on page 320.

49. Certain of our Directors and Key Managerial Personnel are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Certain of our Directors (including our Promoters) and Key Managerial Personnel are interested in our Company, in addition to the regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or the shareholding of their relatives in our Company. For further information, see "*Our Promoters and Promoter Group – Interests of our Promoters*" on page 227. Our Promoter holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. There can be no assurance that our Promoters and our Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see "*Capital Structure*" on page 84.

50. Our Promoters and Promoter Group will continue to exercise significant influence over our Company after completion of the Offer.

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group hold 95.74% of the issued and outstanding equity share capital of our Company. After the completion of the Offer, our Promoters and Promoter Group will continue to control our Company and exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures through their shareholding after the Offer. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of such controlling shareholders. In accordance with applicable laws and regulations, our Promoters will have the ability to exercise, directly or indirectly, a significant influence over our business which could conflict with our interests or the interests of its other shareholders. We cannot assure you that our Promoter will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

51. Our registered office, corporate office and some of our manufacturing facilities are located on leased premises. There can be no assurance that such lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on the same or similar commercial terms.

The premises upon which our registered office, corporate office and two out of three of our manufacturing facilities are located are not owned by us. We have leased the premises for our registered office and corporate office which is valid until May 2025. Our manufacturing facilities, comprising four factories, are located on leasehold land, out of which one of the factories is on long-term lease up to 2085. In the event of any termination of such lease agreements, we may be required to relocate our operations to other premises. There can be no assurance that we will be able to retain and renew the lease on the same or similar terms, or find alternate locations on similar terms, or at all.

52. Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, are not traceable.

Our Company has not been able to trace certain corporate records such as RoC form filings and share transfer forms. Information in relation to such changes in share capital, allotments, changes in registered office, amendment to memorandum of association, appointment of directors, creation and modification of charge and certain acquisitions and transfers made by our Promoters has been disclosed in the sections "*History and Certain Corporate Matters*" and "*Capital Structure*" on pages 190 and 84, in this Draft Red Herring Prospectus, based on the statutory register of members, minutes of the meetings of our Board (to the extent available), annual reports of our Company, bank and demat statements, depository instruction slips, and information available with our Company. Further, we may not be able to furnish any further document evidencing the aforesaid details.

We cannot assure you that the abovementioned corporate records will be available in the future. Further, we cannot assure you that our Company has filed such forms and filings in a timely manner or at all, in the past. Although no regulatory action/ litigation is pending against us in relation to such untraceable secretarial and other corporate records and documents, we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect.

53. We cannot assure payment of dividends on the Equity Shares in the future.

Our Company has not declared dividends in the past three Fiscals and in the current Fiscal. For further information, see "*Dividend Policy*" on page 234. Our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realisation of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

54. We intend to utilise the Net Proceeds for funding our capital expenditure requirements and we are yet to place orders for a majority of such capital expenditure requirements. There is no assurance that we would be able to source such capital expenditure requirements in a timely manner or at commercially acceptable prices, which could adversely affect our expansion plans.

We propose to utilize ₹10,515.51 million of our Net Proceeds towards purchase of equipment required for setting up our new manufacturing facilities at Chikhli, Gujarat. For further information, see "*Objects of the Offer*" on page 98. We have not entered into any definitive agreements to utilize the Net Proceeds for 80.01% of such object of the Offer, aggregating to ₹8,413.24 million, and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations, that there will not be cost escalations and that we would be able to procure such equipment in a timely manner, or that we will complete our expansion works within the estimated timelines, and if not, obtain extensions for the quotations at reasonable cost to us, if at all. There is no assurance that we would be able to source such equipment in a timely manner or at commercially acceptable prices, which could adversely affect our expansion plans and consequently, our business and results of operations.

55. A portion of the Net Proceeds shall be paid to Waaree Renewables Private Limited, which is a Group Company, for the development of infrastructure at our new manufacturing facilities at Chikhli, Gujarat.

We have entered into a fixed cost lump sum turkey basis contract dated July 26, 2021 ("**Turnkey Contract**") with Waaree Renewables Private Limited, which is Group Company ("**WRPL**"). Pursuant to the terms of the Turnkey Contract, WRPL shall undertake all infrastructure related work in relation to establishment of the new manufacturing facilities at Chikhli, Gujarat. For further information, see "*Objects of the Offer*" on page 98. The aggregate value of the Turnkey Contract is ₹1,368.88 million, which constitutes 13.02% of the total cost of setting up the new manufacturing facilities to be utilised from the Net Proceeds.

56. The land on which we propose to establish our new manufacturing facilities at Chikhli, Gujarat was acquired from Waaree Renewables Private Limited, which is a Group Company.

The land on which we propose to establish our new manufacturing facilities at Chikhli, Gujarat was acquired from Waaree Renewables Private Limited, which is a Promoter Group Company ("**WRPL**"). The land was acquired during Fiscal 2020 and Fiscal 2021 and the aggregate consideration paid was ₹870.21 million. For details of WRPL and interest of our Promoters in WRPL, please see "*Group Companies*" on page 230.

57. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 98 of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, our funding requirements are based on management estimates and our current business plans and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. While we will use the Net Proceeds for expansion purposes, the amount of Net Proceeds to be used will be based on our management's discretion. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our project and capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows. Further, while our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale.

The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors.

Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations.

58. Our Subsidiaries have availed of certain unsecured borrowings which are repayable on demand.

As on August 31, 2021, our Subsidiaries have availed certain unsecured borrowings in the form of inter-corporate deposits ("**ICDs**") aggregating to ₹437.98 million, which in accordance with the terms of such borrowings, are required to be repaid either on demand or as a bullet payment at the end of the term. Out of such ICDs, ₹429.44 million are intra-group transactions between our Subsidiaries and ₹8.53 million has been availed from third parties. In the event the relevant lender demands repayment of the outstanding amount from our Subsidiaries, at any time during the tenor of the ICDs, and if any of our Subsidiary is unable to repay such outstanding amount at that point in time, the same shall constitute an event of default under the relevant borrowing arrangement and may also trigger cross default clauses in other borrowing arrangements, which in turn may affect our creditworthiness and future availably of financing. For further details, see "*Financial Indebtedness*" on page 356.

59. In the past, one of our Group Companies had failed to meet certain legal requirements of SEBI and the Stock Exchanges.

Waaree Technologies Limited, one of our Group Companies, whose equity shares are listed on the BSE, had failed to comply with certain legal requirements of SEBI and the Stock Exchanges in the following instances:

a. It had failed to comply with the requirements of Regulation 295 (1) of the SEBI ICDR Regulations. The said regulation requires a company to implement a bonus issue within two months from the date of the meeting of board of directors held to approve such bonus issue. Waaree Technologies Limited delayed the implementation by six days, upon which the BSE imposed a penalty of ₹0.12 million on November 9, 2020. The penalty was paid on that same day.

b. It did not appoint a qualified company secretary as the compliance officer, for the quarter ended December 2018, in accordance with Regulation 6(1) of the SEBI Listing Regulations. Consequently, on February 12, 2019, the BSE had imposed a penalty of ₹0.11 million.

c. It failed to comply with Regulation 45(3) of SEBI Listing Regulations, which requires the prior consent of the Stock Exchanges for change in name.

In case of such non-compliance of applicable laws in future, our reputation may be adversely affected.

External Factors

60. Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscal 2008 and 2009 adversely affected market prices in the global securities markets, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our equity shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

61. Natural and catastrophic events may reduce energy production below our expectations.

A natural disaster, severe weather conditions or an accident that damages or otherwise adversely affects any of our operations could have a material adverse effect on our business, financial condition and results of operations. Severe flooding, lightning strikes, earthquakes, extreme wind conditions, severe storms, wildfires, and other unfavourable weather conditions (including those from climate change) or natural disasters could damage our property and assets or require us to shut down our turbines, solar panels or related equipment and facilities, impeding our ability to maintain and operate our projects and decreasing electricity production levels and revenues from operations.

In addition, catastrophic events such as explosions, terrorist acts or other similar occurrences could result in similar consequences or in personal injury, loss of life, environmental danger or severe damage to or destruction of the projects or suspension of operations, in each case, adversely affecting our ability to maintain and operate the projects and decreasing electricity production levels and revenues from operations. Any of these events could have an adverse effect on our business, financial condition, results of operations and prospects.

A global health pandemic such as COVID-19 (or any future variants) could adversely affect our operations as well, particularly due to the various quarantine and lockdown measures that the GoI will inevitably take in this event. This would have an adverse effect on our business due to our inability to maintain and operate our projects, and would in turn affect our financial condition, result and revenue from operations as well.

62. Terrorist attacks, civil disturbances and regional conflicts in South Asia may have an adverse effect on our business.

India has, from time to time, experienced social and civil unrest within the country and hostilities with neighbouring countries. These hostilities and tensions could lead to political or economic instability in India and a possible adverse effect on our business and future financial performance. There can be no assurance that such situations will not recur or be more intense than in the past. Terrorist attacks and other acts of violence or war may adversely affect global markets and economic growth. These acts may also result in a loss of business confidence, make travel and other services more difficult and have other consequences that could have an adverse effect on our business, results of operations and financial condition. Such violence may have an adverse impact on the Indian and worldwide financial markets. In addition, any deterioration in international relations may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. India has witnessed localised terrorist attacks recently, including the terrorist attacks in Mumbai in 2008 and 2011, in New Delhi in 2011 and in Pathankot and Uri in 2016. More recently, there is a growing unrest and disturbances in the regions of Kashmir and Jammu, as well as border tension between Pakistan and India, as well as China and India. Such incidents could also create an increased perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business, financial conditions, results of operations and prospects.

63. Any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

64. If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019 prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Due to the COVID-19 pandemic, the GoI also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975.

Further, the GoI has announced the Union Budget for Fiscal 2021, pursuant to which the Finance Act of 2021 has introduced various amendments. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

65. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there still remains uncertainty around the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

66. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

67. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

Risks Relating to the Equity Shares and this Offer

68. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law, including in relation to class actions, may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

69. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a law suit in India.

We are incorporated under the laws of India and all of our Directors and key management personnel reside in India. A substantial portion of our assets are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908 (the "**CPC**").

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13, 14 and Section 44A of the CPC on a statutory basis. Section 44A of the CPC provides that where a certified copy of a decree of any superior court, within the meaning of that Section, obtained in any country or territory outside India which the government has by notification declared to be in a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the CPC is applicable only to monetary decrees and does not apply to decrees for amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment).

Among other jurisdictions, the United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the government to be reciprocating territories for the purposes of Section 44A of the CPC. The United States has not been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the CPC. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the CPC, and not by proceedings in execution. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and/ or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. The suit must be brought in India within three years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

It cannot be assured that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court will enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment.

70. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

71. ***Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile may not be indicative of the market price of the Equity Shares after the Offer and you may be unable to resell your Equity Shares at or above the Offer Price or at all.***

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book building process. This price will be based on numerous factors, as described in the section "*Basis for the Offer Price*" on page 109. This price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on the NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Red Herring Prospectus.

The initial public offering price will be determined by the Book Building Process and may not be indicative of prices that will prevail in the open market following the Offer. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by us or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment. As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

72. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. The Income Tax Act levies taxes on long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while there is no tax charged on unrealized capital gains earned up to January 31, 2018 on equity shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions.

A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months, which are sold using any other platform other than on a recognised stock exchange and on which no STT has been paid, are subject to long term capital gains tax in India. Such long term capital gains exceeding ₹100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). Further, STT will be levied on and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹100,000. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax at a higher rate of 40% (plus applicable surcharge and cess) in the case of foreign companies and 30% (plus applicable surcharge and cess) in the case of other non-resident taxpayers.

We cannot predict whether any amendments made pursuant to the Finance Act 2021 would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

The Finance Act 2019 has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

73. There is no guarantee that our Equity Shares will be listed on the stock exchanges in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the stock exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

74. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

75. Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us (including under an employee benefit scheme) or disposal of our Equity Shares by the Promoter or any of our other principal shareholders or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that our existing shareholders including our Promoter will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

76. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions or at all.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 409.

77. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Restated Consolidated Financial Statements for Fiscal 2019, 2020 and 2021, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

78. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and Selling Shareholders in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for the Offer Price*" on page 109 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" on page 374. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

79. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid amount) at any stage after submitting a bid, and Retail Individual Bidders are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Bidders can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.

80. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

81. A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

82. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

83. The requirements of being a publicly listed company may strain our resources.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

84. Our customers may engage in transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organisations also administer similar economic sanctions. We may enter into transactions with customers who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

85. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The U.S. “Foreign Account Tax Compliance Act” (or “**FATCA**”) imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain “foreign passthru payments” made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered “foreign passthru payments”. Under current guidance, the term “foreign passthru payment” is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered “foreign passthru payments”. The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address “foreign passthru payments” and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as “foreign passthru payments”. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

86. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.

A foreign corporation will be treated as a passive foreign investment company (“**PFIC**”) for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is “passive income” or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are “passive assets,” which generally means that they produce passive income or are held for the production of passive income.

No assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company’s income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company’s PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares(1) ^	Up to [●] Equity Shares, aggregating up to ₹[●] million
of which:	
Fresh Issue (1)^	Up to [●] Equity Shares, aggregating up to ₹13,500 million
Offer for Sale (2)	Up to 4,007,500 Equity Shares, aggregating up to ₹[●] million
Of which	
Offer for Sale by Promoter Selling Shareholders	Up to 3,945,000 Equity Shares, aggregating up to ₹[●] million
Offer for Sale by Other Selling Shareholders	Up to 62,500 Equity Shares, aggregating up to ₹[●] million
which includes:	
Employee Reservation Portion(3)(4)	Up to [●] Equity Shares aggregating up to ₹[●] million
The Net Offer^ comprises of:	
A) QIB Portion (5)(6)	Not more than [●] Equity Shares
of which:	
(i) Anchor Investor Portion(5)	Up to [●] Equity Shares
of which	
Available for allocation to domestic Mutual Funds only	At least [●] Equity Shares
(ii) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	At least [●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion	Not less than [●] Equity Shares
C) Retail Portion (7)	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	197,138,492 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 98 for information about the use of Net Proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

^ *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer complying with Rule 19(2)(b) of the SCRR.*

(1) The Offer has been authorized by a resolution of our Board dated August 6, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated September 1, 2021.

(2) The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale as part of the Offer for Sale in terms of the SEBI ICDR Regulations. Each Selling Shareholder confirms that it has authorized the sale of its portion of the Offered Shares in the Offer for Sale as set out below:

Selling Shareholder	Total number of Offered Shares	Aggregate value of dilution in the Offer for Sale	Date of corporate approval	Date of consent letter
Hitesh Chimanlal Doshi	Up to 1,315,000	Up to ₹[●] million	-	September 15, 2021
Virenkumar Chimanlal Doshi	Up to 1,315,000	Up to ₹[●] million	-	September 15, 2021
Mahavir Thermoequip Private Limited	Up to 1,315,000	Up to ₹[●] million	September 14, 2021	September 15, 2021
Samir Surendra Shah	Up to 40,000	Up to ₹[●] million	-	September 15, 2021
Nilesh Gandhi jointly with Drasta Gandhi	Up to 22,500	Up to ₹[●] million	-	September 15, 2021

(3) Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹200,000. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after such allocation up to ₹500,000), shall be added to the Net Offer.

(4) Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may offer an Employee Discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share), which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.

(5) Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB portion will accordingly be reduced from the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Any unsubscribed portion in the Mutual Funds portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For details, see "Offer Procedure" on page 389.

(6) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill- over from any other category or combination of categories, as applicable, at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange. In the event of an under-subscription in the Offer, subject to receipt of minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLMs shall first ensure Allotment of Equity Shares offered pursuant to the Fresh Issue, followed by Allotment of Equity Shares offered by the Selling Shareholders.

(7) Allocation to Bidders in all categories, except Anchor Investors, if any and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Offer Procedure" on page 389.

For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure* "and "*Offer Procedure*" on pages 386 and 389, respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 380.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Consolidated Financial Statements. The summary financial information presented below has been prepared in accordance with Ind AS for Fiscals 2021, 2020 and 2019 and restated in accordance with the SEBI ICDR Regulations. The summary financial information presented below should be read in conjunction with the Restated Consolidated Financial Statements, the notes thereto and the sections "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 235 and 322, respectively.

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RESTATED SUMMARY STATEMENT OF ASSTES AND LIABILITIES

(in ₹ million)

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	2,230.20	1,107.53	874.01
Capital work-in-progress	13.18	373.12	-
Right of use assets	480.95	300.16	345.79
Investment property	3.48	3.48	3.48
Other intangible assets	62.14	49.98	37.11
Intangible assets under development	15.19	29.09	2.14
Goodwill	70.31	56.31	1.12
Investment in Associates	0.00	-	0.08
Financial assets			
Investments	820.00	820.00	820.00
Trade receivables	51.66	57.89	126.50
Loans	48.44	31.91	31.54
Other financial assets	345.00	358.17	113.36
Income tax assets (net)	32.78	36.08	3.75
Other non-current assets	926.49	84.86	14.19
Total non-current assets	**5,099.83**	**3,308.59**	**2,373.07**
Current assets			
Inventories	3,680.02	2,431.05	999.31
Financial assets			
Investments	334.44	34.56	-
Trade receivables	1,167.24	1,402.42	2,151.50
Cash and cash equivalents	128.66	339.46	223.09
Bank balances other than cash and cash equivalents	973.88	447.51	971.59
Loans	479.25	571.50	643.99
Other financial assets	252.46	406.11	216.41
Other current assets	689.42	441.44	607.34
Total current assets	**7,705.38**	**6,074.06**	**5,813.24**
Total Assets	**12,805.21**	**9,382.65**	**8,186.30**
Equity and Liabilities			
Equity			
Equity share capital	1,971.38	1,971.38	1,971.38
Other equity	1,478.49	1,008.79	596.47
Equity attributable to owners of the company	**3,449.87**	**2,980.17**	**2,567.85**
Non-controlling interest (NCI)	402.11	416.77	-
Total equity	**3,851.97**	**3,396.94**	**2,567.85**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	1,971.29	713.19	658.32
Lease liabilities	443.70	274.01	313.99
Long term provisions	325.50	258.72	176.19
Deferred tax liabilities (net)	41.24	21.93	4.96
Other non-current liabilities	13.89	9.80	2.40
Total non-current liabilities	**2,795.62**	**1,277.65**	**1,155.85**
Current liabilities			
Financial liabilities			
Borrowings	547.32	204.42	15.43
Lease liabilities	59.57	41.09	36.59
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	117.22	70.03	6.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,254.89	2,929.70	3,071.87
Other financial liabilities	463.01	411.58	585.41
Provisions	1.83	1.76	1.85
Other current liabilities	580.38	907.95	718.01
Current Tax Liabilities (Net)	133.40	141.53	27.37
Total current liabilities	**6,157.62**	**4,708.06**	**4,462.59**

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Total Liabilities	**8,953.24**	**5,985.71**	**5,618.45**
Total Equity and Liabilities	**12,805.21**	**9,382.65**	**8,186.30**

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(in ₹ million)

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
I	**Income**			
	Revenue from operations	19,527.76	19,957.83	15,910.35
	Other income	405.94	255.29	216.95
	Total income	**19,933.70**	**20,213.12**	**16,127.31**
II	**Expenses**			
	Cost of materials consumed	12,619.09	14,324.36	10,919.09
	Purchases of stock-in-trade	4,226.26	2,167.99	1,254.61
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(730.82)	(195.14)	83.72
	Other manufacturing and EPC project expenses	544.79	665.89	579.12
	Employee benefits expense	481.55	546.12	431.00
	Sales, administration and other expenses	1,538.61	1,526.10	1,206.17
	Finance costs	309.17	337.06	590.91
	Depreciation and amortization expense	286.58	271.33	407.18
	Total expenses	**19,275.22**	**19,643.72**	**15,471.81**
III	**Restated Profit Before share of profit/ loss from associates, Exceptional item and tax (I-II)**	**658.48**	**569.39**	**655.50**
	Share of Profit/(loss) of Associate	-	(0.02)	(0.03)
	Restated Profit Before Exceptional item and tax (I-II)	658.48	569.37	655.47
	Add/(Less) : Exceptional Items	40.56	-	370.51
IV	**Restated Profit before tax**	**699.04**	**569.37**	**1,025.98**
V	Tax expenses			
	Current tax	201.00	190.45	168.96
	Tax for earlier years	-	0.12	-
	Mat Credit Entitlement	(2.65)	-	-
	Deferred tax	18.79	(11.42)	33.61
	Total Tax expense	**217.14**	**179.16**	**202.58**
VI	**Restated Profit for the year**	**481.90**	**390.21**	**823.40**
VII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurement of defined benefit plan	2.19	(3.33)	4.04
	- Fair value changes on derivatives designated as cashflow hedge	-	(1.61)	2.47
	- Income tax on above	(0.51)	0.84	(2.27)
	Total Other comprehensive income	**1.68**	**(4.10)**	**4.23**
VIII	**Restated Total Comprehensive Income for the year (after tax) (VI + VII)**	**483.58**	**386.11**	**827.63**
	Restated Profit/(loss) for the year attributable to :			
	- Owners of the company	492.10	417.10	823.40
	- Non-controlling interests	(10.20)	(26.89)	-
		481.90	**390.21**	**823.40**
	Other Comprehensive Income for the year attributable to :			
	- Owners of the company	1.40	(4.10)	4.23
	- Non-controlling interest	0.28	-	-
		1.68	**(4.10)**	**4.23**
	Restated Total Comprehensive Income for the year attributable to :			
	- Owners of the company	493.49	413.00	827.63
	- Non controlling interests	(9.91)	(26.89)	-
		483.58	**386.11**	**827.63**
	Restated Earnings per equity share:			
	(Nominal value of ₹10/- each)			
	- Basic & Diluted (Rs)	2.50	2.12	4.18

RESTATED SUMMARY STATEMENT OF CASH FLOWS

(in ₹ million)

Particulars	For Fiscal 2021	For Fiscal 2020	For Fiscal 2019
A. Cash flow from operating activities :			
Restated Profit before tax	699.04	569.39	1,025.98
Add/ (less) : Adjustments for			
Depreciation and amortisation	286.58	271.33	407.18
Interest on income tax liability	12.69	10.83	4.89
Interest expense	225.34	269.62	531.22
Remeasurement of defined benefit plans	2.19	-	4.04
Net Gain/Loss on financial assets measured at Fair Value through profit and loss	-	-	(4.35)
Fair value changes on derivatives designated as cashflow hedge	-	-	2.47
Interest income	(172.97)	(140.27)	(102.16)
Amortisation of government grant	-	33.48	-
Amortisation of borrowing cost	-	11.24	-
(Gain)/loss on unrealised exchange difference	31.50	29.86	(25.26)
(Gain)/loss on disposal of property, plant and equipment	(2.38)	5.22	(0.87)
Provision for impairment of assets	-	17.63	-
Capital-work-in-progress written off	0.53	4.18	-
Profit on sale of subsidiary	(10.16)		-
(Gain)/loss on disposal of current investment	(0.57)	(1.04)	(3.06)
Gain on change in fair value of investment	(3.14)	(0.57)	-
Provision for doubtful advance & deposit	2.75	4.40	-
Provision for doubtful deposit	10.50	-	-
Provision for warranty	72.31	85.77	65.18
Exceptional items	(40.56)	-	-
Allowance for credit losses on financial assets	17.27	8.52	1.46
Operating profit before working capital changes	1,067.93	1,179.59	1,906.72
Add/ (less) : Adjustments for change in working capital			
(Increase) / Decrease in inventory	(986.47)	(1,431.74)	(14.05)
(Increase) / Decrease in trade receivables	224.11	856.94	(1,539.16)
(Increase) / Decrease in Security deposits	(27.95)	1.73	(1.43)
(Increase) / Decrease in Current Loans			20.55
(Increase) / Decrease in other current financial assets	243.09	(198.15)	(203.82)
(Increase) / Decrease in other current assets	(101.61)	231.86	(480.47)
(Increase) / Decrease in other non-current assets		2.27	
Increase / (Decrease) in provision	(0.31)	(9.39)	(45.12)
Increase / (Decrease) in trade payables	783.99	(123.74)	1,016.00
Increase / (Decrease) in other current financial liabilities	8.63	(195.18)	128.03
Increase / (Decrease) in other current liabilities	(323.45)	632.97	439.20
Cash generated from operations	887.98	947.15	1,226.44
Add/ (less) : Exceptional items	-	-	-
	887.98	947.15	1,226.44
Add/ (less) : Direct taxes paid	(215.16)	(114.74)	(172.58)
Net cash inflow from operating activities	**672.82**	**832.41**	**1,053.86**
B. Cash flow from investing activities:			
Acquisition of property, plant and equipment / intangible assets	(748.90)	(282.18)	(1,248.16)
Capital work in progress / Intangible asset under development	(327.24)	(352.96)	(2.14)
Proceeds from sale of subsidiary	2.38	-	2,119.13
Investment in subsidiary/ associates	(18.74)	(201.26)	(0.18)
Fixed deposits	(504.20)	352.57	(873.00)
Proceeds from sale of property, plant and equipment	49.19	118.05	6.08
(Acquisition) / Sale of non-current investments	-	0.07	(210.00)
Sale proceeds from non-current investment	0.00	-	-
Sale proceeds from current investment	-	-	210.20
Purchase of current investment	(504.17)	(1.09)	-
Proceeds from sale of mutual funds	208.00	-	-
Slump sale consideration	(20.93)	-	-

Particulars	For Fiscal 2021	For Fiscal 2020	For Fiscal 2019
Long term loans & advances received back / (given) (Net)	92.25	84.78	56.85
Capital advance paid during the year (Net)	(897.55)	(69.30)	-
Interest received	172.97	127.90	102.16
Net cash inflow / (outflow) from investing activities	**(2,496.94)**	**(223.42)**	**160.94**
C. Cash flow from financing activities :			
Proceeds / (repayment) of borrowings (net)	1,650.50	(206.42)	(494.79)
Repayment of Lease liabilities	188.17	(37.82)	(31.47)
Interest paid	(225.34)	(253.52)	(531.22)
Net cash inflow / (outflow) from financing activities	**1,613.33**	**(497.76)**	**(1,057.48)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(210.81)	111.24	157.33
Add: Cash and cash equivalents at the beginning of year	339.46	223.09	65.76
Add: On acquisition of subsidiary	-	5.13	-
Cash and cash equivalents at the end of year	**128.66**	**339.46**	**223.09**

GENERAL INFORMATION

Our Company was originally incorporated as 'Anmol Fluid Connectors Private Limited' at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated December 18, 1990, issued by the RoC. The name of our Company was changed to 'Waaree Solar Private Limited', pursuant to a fresh certificate of incorporation issued by the RoC on April 25, 2007. The name of our Company was again changed to 'Waaree Energies Priave Limited', pursuant to a fresh certificate of incorporation issued by the RoC on October 15, 2007. The name of our Company was further changed to 'Waaree Energies Private Limited', pursuant to a fresh certificate of incorporation issued by the RoC on December 12, 2007. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders of our Company held on March 8, 2013, and consequently the name of our Company was changed to its present name, i.e., Waaree Energies Limited, pursuant to a fresh certificate of incorporation issued by the RoC on May 2, 2013. For further details relating to the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 190.

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Office are as follows:

Waaree Energies Limited
602, 6th Floor, Western Edge - I
Western Express Highway
Borivali (East)
Mumbai - 400 066
Maharashtra, India
Website: www.waaree.com

For details of the changes in our registered office, see "*History and Certain Corporate Matters - Change in the registered office*" at page 190.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

a. Registration number: 059463
b. Corporate identity number: U29248MH1990PLC059463

The Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100, Everest
Marine Drive
Mumbai - 400 002
Maharashtra

Board of Directors

The following table sets out the brief details of our Board as on the date of this Draft Red Herring Prospectus:

Name of Director	Designation	DIN	Address
Hitesh Chimanlal Doshi	Chairman and Managing Director	00293668	Near Jain Temple, 93, Mahagiri, Ashok Nagar, Kandivali (East), Mumbai - 400 101, Maharashtra
Virenkumar Chimanlal Doshi	Whole-time Director	00207121	Near Jain Temple, 93, Mahagiri, Ashok Nagar, Kandivali (East), Mumbai - 400 101, Maharashtra
Hitesh Pranjivan Mehta	Whole-time Director and Chief Financial Officer	00207506	F 202, Krishna Residency, Sundar Nagar, Near Dalmia College, Malad West, Mumbai - 400 064, Maharashtra

Name of Director	Designation	DIN	Address
Sujit Kumar Varma	Independent Director	09075212	A-20, Sterling Apartment, Pedder Road, Mumbai - 400 026, Maharashtra
Rajender Mohan Malla	Independent Director	00136657	C- 4/19, Safdarjung Development Area, Hauz Khas, South West, Delhi - 110 016
Jayesh Dhirajlal Shah	Independent Director	00182196	D/203, Panchsheel Heights, Mahavir Nagar, Dahanukar Wadi, Kandivali (West), Mumbai - 400 067, Maharashtra
Richa Manoj Goyal	Independent Director	00159889	501, Prakruti Apartment, Opposite Uma Bhavan, Bhatar Road, Surat - 395 017, Gujarat

For further details of our Board of Directors, see "*Our Management - Board of Directors*" on page 205

Company Secretary and Compliance Officer

Kirankumar Jain is the Company Secretary and Compliance Officer our Company. His contact details are as follows:

Kirankumar Jain
602, 6th Floor, Western Edge – I
Western Express Highway
Borivali (East)
Mumbai - 400 066
Maharashtra, India
Telephone: +91 22 6644 4415
E-mail: investorgrievance@waaree.com

Book Running Lead Managers

Axis Capital Limited
1st Floor, Axis House
C-2 Wadia International Center
Pandurang Budhkar Marg, Worli
Mumbai – 400 025
Maharashtra, India
Telephone: +91 22 4325 2183
E-mail: waaree.ipo@axiscap.in
Website: www.axiscapital.co.in
Investor grievance e-mail: complaints@axiscap.in
Contact person: Sagar Jatakiya/ Pavan Naik
SEBI registration no.: INM000012029

HSBC Securities and Capital Markets (India) Private Limited
52/60, Mahatma Gandhi Road
Fort, Mumbai – 400001
Maharashtra, India
Telephone: +91 22 2268 5555
E-mail: waareeipo@hsbc.co.in
Investor grievance e-mail:
investorgrievance@hsbc.co.in
Contact person: Vinod Nagappan / Sanjana Maniar
Website:https://www.business.hsbc.co.in/en-gb/in/generic/ipo-open-offer-and-buyback
SEBI registration no.: INM000010353

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai - 400 025
Maharashtra, India
Telephone: +91 22 6807 7100
E-mail: waaree.ipo@icicisecurities.com
Investor grievance e-mail:
customercare@icicisecurities.com
Contact person: Anurag Byas
Website: www.icicisecurities.com
SEBI registration no.: INM000011179

Intensive Fiscal Services Private Limited
914, Raheja Chambers
Free Press Journal Marg
Nariman Point
Mumbai - 400 021, Maharashtra, India
Telephone: +91 22 2287 0443
E-mail: waaree.ipo@intensivefiscal.com
Investor grievance e-mail: ipo@intensivefiscal.com
Website: www.intensivefiscal.com
Contact person: Harish Khajanchi/Anand Rawal
SEBI registration no.: INM000011112

Syndicate Members

[●]

Statement of *inter-se* allocation of responsibilities among the BRLMs

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	All BRLMs	Axis
2.	Due diligence of Company including its operations / management / business plans / legal etc., Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus, Offer Agreement, Syndicate and Underwriting Agreements and RoC filing	All BRLMs	Axis
3.	Drafting and approval of all statutory advertisements	All BRLMs	Axis
4.	Appointment of Registrar to the Offer, Advertising Agency and Printer to the Offer including co-ordination for their agreements	All BRLMs	Axis
5.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 3 above, including corporate advertising and brochures.	All BRLMs	Intensive Fiscal
6.	Appointment of all other intermediaries (including coordination of all agreements) and filing of media compliance report with SEBI	All BRLMs	I-Sec
7.	Preparation of road show presentation and FAQs for the road show team	All BRLMs	HSBC
8.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	All BRLMs	HSBC
9.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	All BRLMs	Axis
10.	Conduct non-institutional marketing of the Offer	All BRLMs	Intensive Fiscal
11.	Conduct retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	All BRLMs	I-Sec
12.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading and deposit of 1% security deposit with the designated stock exchange	All BRLMs	Intensive Fiscal
13.	Managing the book and finalization of pricing in consultation with Company and Selling Shareholders	All BRLMs	HSBC
14.	Post-Offer activities – managing Anchor book related activities and submission of letters to regulators post completion of anchor allocation, management of escrow accounts, finalisation of the basis of allotment based on technical rejections, post Offer stationery and preparation of CAN for Anchor Investors, essential follow-up steps including follow-up with bankers to the Offer and Self Certified Syndicate Banks and coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks etc. listing of instruments, demat credit and refunds/ unblocking of application monies, announcement of allocation and dispatch of refunds to Bidders, etc., payment of the applicable STT on behalf of Selling Shareholders, coordination for investor complaints related to the Offer, submission of final post issue report and coordination with SEBI and Stock Exchanges for refund of 1% security deposit.	All BRLMs	I-Sec

Legal Counsel to the Company and Selling Shareholders as to Indian law

Khaitan & Co
10th & 13th Floors, Tower 1C
One World Centre
841, Senapati Bapat Marg
Mumbai - 400 013, Maharashtra
Telephone: +91 22 6636 5000

Legal Counsel to the BRLMs as to Indian law

J. Sagar Associates
Sandstone Crest
Opposite Park Plaza Hotel
Sushant Lok Phase-I
Gurgaon 122 009, India
Telephone: +91 124 439 0600

International Legal Counsel to the BRLMs

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore - 049321
Telephone: +65 6538 0900

Registrar to the Offer

Link Intime India Private Limited
C-101, 247 Park
LBS Marg, Surya Nagar, Gandhi Nagar
Vikhroli (West)
Mumbai - 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
E-mail: waaree.ipo@linkintime.co.in
Investor grievance e-mail: waaree.ipo@ linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI registration no: INR000004058

Banker(s) to the Offer

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RII using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction. do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs eligible as Issuer Banks for UPI Mechanism and eligible mobile applications

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised Fpi =yes&intmId=43) and updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes& intmId=35, which may be and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised= yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the CRTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/ equities/ipos/asbaprocedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ ipos/asba_procedures.htm, respectively, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated September 18, 2021 from the Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the: (i) their examination report dated September 17, 2021 on the Restated Consolidated Financial

Statements; and (ii) the statement of special tax benefits dated September 18, 2021 included in this Draft Red Herring Prospectus. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has received written consent dated September 19, 2021 from Oriens Advisors LLP, to include their name, as required under Section 26 of the Companies Act, 2013, in this Draft Red Herring Prospectus and as an 'expert' under Section 2(38) of Companies Act, 2013 in respect of the Project Report. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has received written consent dated September 16, 2021 from Mohanlal R. Prajapati, Chartered Engineer, as chartered engineer to include his name, as required under Section 26 of the Companies Act, 2013, in this Draft Red Herring Prospectus and as an 'expert' under Section 2(38) of Companies Act, 2013 in respect of the certificate dated September 16, 2021. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Statutory Auditor to our Company

Shah Gupta & Co.
Chartered Accountants
Bombay Mutual Building, 38 2nd Floor,
Dr Dadabhai Naoroji Rd, Borabazar Precinct,
Ballard Estate, Fort, Mumbai – 400 001 Maharashtra
Telephone: +91 22 4085 1000
E-mail: contact@shahgupta.com
Firm registration no.: 109574W
Peer review no.: 011493

Changes in Auditors

Except as disclosed below, there has been no change in the auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus.

Particulars	Date of change	Reason for change
Shah Gupta & Co. Chartered Accountants 38 Bombay Mutual Building 2nd Floor, Dr. D. N. Road, Fort, Mumbai - 400 001, Maharashtra **E-mail**: contact@shahgupta.com **Peer review no.**: 011493 **Firm registration no**: 109574W	July 27, 2021	Appointment as the Statutory Auditors of our Company
SGCO and Co. LLP Chartered Accountants 4A, Kaledonia – HDIL, 2nd Floor, Sahar Road, Near Andheri Station, Andheri East, Mumbai – 400 069, Maharashtra **E-mail**: info@sgco.co.in **Peer review no.**: 011796 **Firm registration no**: 112081W/W100184	July 27, 2021	Completion of tenure as the statutory auditors of our Company in accordance with Section 139 of the Companies Act, 2013

Bankers to our Company

Bank of Maharashtra Gadkari Chowk, Opposite to Sena Bhavan Dadar West, Mumbai - 400 028, Maharashtra **Telephone**: +91 22 2444 3960 **E-mail**: boml6@mahabank.co.in / brmgr l6@mahabank.co.in **Contact person**: S. K. Trivedi (AGM) **Website**: bankofmaharashtra.in	**IndusInd Bank Limited** 11th Floor, Tower 1C, One World Center Senapati Bapat Marg, Prabhadevi Mumbai - 400 013, Maharashtra **Telephone**: +91 22 7143 2158 **E-mail**: jain.abhishek@indusind.com / vibha. bharati@indusind.com / vivek.parikh@indusind.com

	Contact person: Abhishek Jain, Vibha Bharati, Vivek Parikh **Website**: www.indusind.com
State Bank of India Industrial Finance Branch, 102, Natraj 194, Sir M.V. Road, W.E. Highway-Metro Junction, Andheri (E), Mumbai - 400 069, Maharashtra **Telephone**: +91 22 2682 9792 **E-mail**: rmamt4.04732@sbi.co.in **Contact person**: Satyendra Kumar **Website**: www.sbi.co.in	

Grading of the Offer

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

Appraising Entity

No appraising entity has been appointed in relation to the Offer.

Monitoring Agency

Our Company shall in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a Monitoring Agency, prior to filing of the Red Herring Prospectus, for monitoring the utilization of the Net Proceeds. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Offer*” on page 98.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustee

As the Offer is of Equity Shares, the appointment of a debenture trustee is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing

A copy of this Draft Red Herring Prospectus is being filed electronically on the SEBI’s online portal and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD”.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and Minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs after the Bid/Offer Closing Date.

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. Retail Individual Investors shall participate through the ASBA process by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For further details, see "*Terms of the Offer*" and "*Offer Procedure*" on pages 380 and 389, respectively.

The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to (i) filing the Prospectus with the RoC; and (ii) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details on the method and procedure for Bidding, see "*Offer Procedure*" on page 389.

Underwriting Agreement

After the determination of the Offer Price but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

Name, address, telephone and e-mail of the Underwriters	**Indicative number of Equity Shares to be underwritten**	**Amount underwritten** *(in ₹ million)*
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Red Herring Prospectus, is set forth below:

(in ₹ except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	500,000,000 Equity Shares (having face value of ₹10 each)	5,000,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	197,138,492 Equity Shares (having face value of ₹10 each)	1,971,384,920	-
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares aggregating up to ₹[●] million(1)(2)	[●]	[●]
	of which		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹13,500 million#(1)	[●]	[●]
	Offer for Sale of up to 4,007,500 Equity Shares aggregating up to ₹[●] million(2)	[●]	[●]
	Which includes:		
	Employee Reservation Portion of up to [●] Equity Shares^	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER***		
	[●] Equity Shares	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	Nil	
	After the Offer	[●]	

**To be updated upon finalization of the Offer Price.*

^Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may offer an Employee Discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share), which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.

#Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer complying with Rule 19(2)(b) of the SCRR.

(1) The Offer (including the Pre-IPO Placement) has been authorized by a resolution of our Board dated August 6, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated September 1, 2021.

(2) The Selling Shareholders, severally and not jointly, confirm that the Equity Shares being offered by the respective Selling Shareholders are eligible for being offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. The Selling Shareholders have, severally and not jointly, confirmed and authorized their respective participation in the Offer for Sale. For further information, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 68 and 365, respectively.

Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "*History and Certain Corporate Matters-Amendments to our Memorandum of Association*" on page 191.

Notes to the Capital Structure

1. ***Equity Share capital history of our Company***

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Cumulative No. of equity shares	Face value (₹)	Issue price per equity share (₹)	Form of consideration
December 18, 1990	Initial subscription to the MOA(1)	200	200	100	100	Cash

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Cumulative No. of equity shares	Face value (₹)	Issue price per equity share (₹)	Form of consideration
June 14, 2003	Preferential allotment(2)	5,000	5,200	100	100	Cash
October 15, 2008	Preferential allotment(3)	635,233	640,433	100	100	Cash
With effect from October 31, 2008, the face value of the equity shares of our Company was split from ₹100 each into ₹10 each and consequently the issued and paid up equity share capital of our Company stood altered from ₹64,043,300 (divided into 640,433 equity shares of ₹100 each) to ₹64,043,300 (divided into 6,404,330 equity shares of ₹10 each)(4)						
February 28, 2009	Preferential allotment(5)	325,000	6,729,330	10	10	Cash
March 18, 2009	Preferential allotment(6)	2,597,570	9,326,900	10	10	Cash
July 24, 2009	Preferential allotment(7)	673,100	10,000,000	10	10	Cash
October 16, 2009	Preferential allotment(8)	2,000,000	12,000,000	10	10	Cash
January 24, 2011	Preferential allotment(9)	13,000,000	25,000,000	10	10	Cash
December 16, 2011	Preferential allotment(10)	50,000,000	75,000,000	10	10	Cash
October 10, 2013	Preferential allotment(11)	250,000	75,250,000	10	10	Cash
January 10, 2014	Preferential allotment(12)	135,000	75,385,000	10	10	Cash
March 8, 2014	Preferential allotment(13)	175,000	75,560,000	10	40	Cash
December 8, 2014	Rights issue(14)	200,000	75,760,000	10	40	Cash
January 3, 2015	Rights issue(15)	62,500	75,822,500	10	40	Cash
February 16, 2018	Bonus issue(16)	121,315,992	197,138,492	10	NA	NA

(1) *Allotment of 100 equity shares of face value of ₹100 each of our Company to Murli Dhar Odhrani and Padma M. Odhrani, pursuant to initial subscription to the MoA.*

(2) *Allotment of 5,000 equity shares of face value of ₹100 each of our Company to Chimanlal T. Doshi. We have been unable to trace the filing with the RoC for this issuance. The details have been determined on the basis of the minutes of the meetings of the board and shareholders and the register of members maintained by our Company. Also see, "Risk Factor- Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable" on page 55.*

(3) *Allotment of 312,950 equity shares of face value of ₹100 each of our Company to Waaree Instruments Limited, 69,000 equity shares of face value of ₹100 each of our Company to Mona Digital, 40,000 equity shares of face value of ₹100 each of our Company to New Planet Trading Company Private Limited, 27,000 equity shares of face value of ₹100 each of our Company to Chimanlal T. Doshi, 24,630 equity shares of face value of ₹100 each of our Company to Hansa Dhruv, 22,070 equity shares of face value of ₹100 each of our Company to Bindiya Kirit Doshi, 21,000 equity shares of face value of ₹100 each of our Company to Mona E-securities, 20,000 equity shares of face value of ₹100 each of our Company to Abhilasha Money Operations Private Limited, 12,500 equity shares of face value of ₹100 each of our Company each to Raunak Securities Private Limited and Paras Corporation Services Private Limited, 11,000 equity shares of face value of ₹100 each of our Company to Rekha Chimanlal Doshi, 9,000 equity shares of face value of ₹100 each of our Company to Goyal Finance India Limited, 8,000 equity shares of face value of ₹100 each of our Company each to Rishikant Upadhya and Hitesh Chimanlal Doshi (HUF), 7,500 equity shares of face value of ₹100 each of our Company to Virenkumar Chimanlal Doshi, 6,233 equity shares of face value of ₹100 each of our Company to Hitesh Chimanlal Doshi, 5,900 equity shares of face value of ₹100 each of our Company to Chimanlal T. Doshi (HUF), 5,600 equity shares of face value of ₹100 each of our Company to Kantilal Doshi, 5,000 equity shares of face value of ₹100 each of our Company to Bina Pankaj Doshi, 4,800 equity shares of face value of ₹100 each of our Company to Kirit Chimanlal Doshi and 2,550 equity shares of face value of ₹100 each of our Company to Pankaj Chimanlal Doshi (HUF).*

(4) *Our Company had, pursuant to a Shareholders' resolution dated October 31, 2008, sub-divided its equity share capital by sub-dividing the face value of the Equity Shares from ₹100 to ₹10 per equity share. Accordingly, the issued and paid-up capital of our Company was sub-divided from 640,433 equity shares of ₹100 each to 6,404,330 equity shares of ₹10 each.*

(5) *Allotment of 175,000 Equity Shares to Mona E-securities and 150,000 Equity Shares to Sidh Housing Development Company Limited.*

(6) *Allotment of 1,000,000 Equity Shares to Waaree Infrastructure & Agritech Private Limited, 873,570 Equity Shares to Waaree Instruments Limited, 332,500 Equity Shares to Hitesh Chimanlal Doshi, 290,000 Equity Shares to Kirit Chimanlal Doshi, 100,000 Equity Shares to Manor Steel Private Limited and 1,500 Equity Shares to Virenkumar Chimanlal Doshi.*

(7) *Allotment of 350,000 Equity Shares to Waaree Infrastructure & Agritech Private Limited, 250,000 Equity Shares to Waaree Instruments Limited, 36,000 Equity Shares to Hitesh Chimanlal Doshi, 11,500 Equity Shares to Kirit Chimanlal Doshi, 7,000 Equity Shares to Nipa Viren Doshi, 5,100 Equity Shares to Bindiya Kirit Doshi, 4,000 Equity Shares to Bina Pankaj Doshi, 3,500 Equity Shares to Virenkumar Chimanlal Doshi (HUF), 3,000 Equity Shares each to Virenkumar Chimanlal Doshi and Binita Hitesh Doshi.*

(8) *Allotment of 1,723,497 Equity Shares to Waaree Instruments Limited, 138,452 Equity Shares to Vaishal Prakashbhai Shah and 138,051 Equity Shares to Tejas Jayvantkumar Mehta.*

[9] *Allotment of 11,188,080 Equity Shares to Patan Solar Private Limited, 690,800 Equity Shares to Virenkumar Chimanlal Doshi, 677,800 Equity Shares to Kirit Chimanlal Doshi, 367,240 Equity Shares to Binita Hitesh Doshi and 76,080 Equity Shares to Pankaj Chimanlal Doshi.*

[10] *Allotment of 29,000,000 Equity Shares to Mahavir Thermoequip Private Limited and 21,000,000 Equity Shares to Patan Solar Private Limited.*

[11] *Allotment of 250,000 Equity Shares to Hitesh Pranjivan Mehta.*

[12] *Allotment of 50,000 Equity Shares each to Bhartiben Shah and Vinaykant Shah and 17,500 Equity Shares each to Jayesh D. Shah and Prerana Shah.*

[13] *Allotment of 112,500 Equity Shares to Sangita Shah and 62,500 Equity Shares to Manisha Gardi.*

[14] *Allotment of 125,000 Equity Shares to Samir Surendra Shah and Ila Samir Shah jointly, 62,500 Equity Shares to Trusha Jhaveri and 12,500 Equity Shares to Nilesh Gandhi and Drasta Gandhi jointly on a rights basis to the existing Shareholders as of the record date i.e. September 30, 2014.*

[15] *Allotment of 62,500 Equity Shares to Trusha Jhaveri on a rights basis to the existing Shareholders as of the record date i.e. September 30, 2014.*

[16] *Bonus issue of 121,315,992 Equity Shares in the ratio of eight Equity Shares for every five Equity Shares held by the existing Shareholders as of the record date i.e. February 2, 2018.*

2. Except as detailed below, our Company has not issued any Equity Shares for (a) consideration other than cash; or (b) bonus issue; or (c) out of revaluation of reserves:

Date of allotment	**Reason/Nature of Allotment**	**No. of equity shares Allotted**	**Face Value (₹)**	**Issue price per equity share (₹)**	**Form of consideration**	**Benefits accrued to our Company**
February 16, 2018	Bonus issue[1]	121,315,992	10	NA	NA	-

[1] *Bonus issue of 121,315,992 Equity Shares in the ratio of eight Equity Shares for every five Equity Shares held by the existing Shareholders as of the record date i.e. February 2, 2018.*

3. Our Company has not issued or allotted any Equity Shares pursuant to schemes of amalgamation approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013.

4. Our Company shall ensure that all transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

5. As on the date of this Draft Red Herring Prospectus, our Company has not made any issuance of Equity Shares under any employee stock option scheme.

6. ***Shareholding Pattern of our Company***

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	12	188,740,192	-	-	188,740,192	95.74	188,740,192	-	188,740,192	95.74	-	-	-	-	100,533,056*	51.00	188,740,192
(B)	Public	14	8,398,300	-	-	8,398,300	4.26	8,398,300	-	8,398,300	4.26	-	-	-	-	-	-	1,439,400
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**26**	**197,138,492**	**-**	**-**	**197,138,492**	**100.00**	**197,138,492**	**-**	**197,138,492**	**100.00**	**-**	**-**	**-**	**-**	**100,533,056***	**51.00**	**190,179,592**

**Pursuant to the amended and restated pledge agreement dated September 16, 2021 entered into between our Company and Vistra ITCL (India) Limited, the pledge on 100,533,056 Equity Shares held by the Promoter Group will be temporarily suspended prior to the filing of the Red Herring Prospectus with the RoC till the completion of Allotment in the Offer.*

7. Our Company has not issued any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus and hence, no Equity Shares have been issued at a price which may be lower than the Offer Price.

8. ***Other details of Shareholding of our Company***

(a) As on the date of the filing of this Draft Red Herring Prospectus, our Company has 26 Shareholders.

(b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus:

No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Offer Equity Share capital (%)
1.	Mahavir Thermoequip Private Limited	57,826,867	29.33
2.	Pankaj Chimanlal Doshi	25,143,284	12.75
3.	Bindiya Kirit Doshi	19,768,112	10.03
4.	Binita Hitesh Doshi	15,647,944	7.94
5.	Nipa Viren Doshi	15,250,839	7.74
6.	Hitesh Chimanlal Doshi	14,104,082	7.15
7.	Virenkumar Chimanlal Doshi	10,954,007	5.56
8.	Kirit Chimanlal Doshi	10,192,782	5.17
9.	Pankaj Chimanlal Doshi (HUF)	7,499,883	3.80
10.	Virenkumar Chimanlal Doshi (HUF)	6,694,249	3.40
11.	Global Service Energy and Communication S.R.L. (formerly known as V.T. Telemetica S.p.A.)	6,240,000	3.17
12.	Hitesh Chimanlal Doshi (HUF)	2,925,706	1.48
13.	Kirit Chimanlal Doshi (HUF)	2,732,437	1.39
	Total	**194,980,192**	**98.91**

(c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of 10 days prior to filing this Draft Red Herring Prospectus:

No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Offer Equity Share capital (%)
1.	Mahavir Thermoequip Private Limited	57,826,867	29.33
2.	Pankaj Chimanlal Doshi	25,143,284	12.75
3.	Bindiya Kirit Doshi	19,768,112	10.03
4.	Binita Hitesh Doshi	15,647,944	7.94
5.	Nipa Viren Doshi	15,250,839	7.74
6.	Hitesh Chimanlal Doshi	14,104,082	7.15
7.	Virenkumar Chimanlal Doshi	10,954,007	5.56
8.	Kirit Chimanlal Doshi	10,192,782	5.17
9.	Pankaj Chimanlal Doshi (HUF)	7,499,883	3.80
10.	Virenkumar Chimanlal Doshi (HUF)	6,694,249	3.40
11.	Global Service Energy and Communication S.R.L. (formerly known as V.T. Telemetica S.p.A.)	6,240,000	3.17
12.	Hitesh Chimanlal Doshi (HUF)	2,925,706	1.48
13.	Kirit Chimanlal Doshi (HUF)	2,732,437	1.39
	Total	**194,980,192**	**98.91**

(d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this Draft Red Herring Prospectus:

No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Offer Equity Share capital (%)
1.	Mahavir Thermoequip Private Limited	57,826,867	29.33
2.	Bindiya Kirit Doshi	19,707,174	10.00
3.	Binita Hitesh Doshi	15,587,006	7.91

No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Offer Equity Share capital (%)
4.	Nipa Viren Doshi	15,189,901	7.71
5.	Hitesh Chimanlal Doshi	14,043,144	7.12
6.	Bina Pankaj Doshi	11,669,853	5.92
7.	Virenkumar Chimanlal Doshi	10,893,069	5.53
8.	Kirit Chimanlal Doshi	10,131,844	5.14
9.	Pankaj Chimanlal Doshi	7,582,114	3.85
10.	Pankaj Chimanlal Doshi (HUF)	7,499,883	3.80
11.	Virenkumar Chimanlal Doshi (HUF)	6,694,249	3.40
12.	Global Service Energy and Communication S.R.L. (formerly known as V.T. Telemetica S.p.A.)	6,240,000	3.17
13.	Pujan Pankaj Doshi	5,639,670	2.86
14.	Hitesh Chimanlal Doshi (HUF)	2,925,706	1.48
15.	Kirit Chimanlal Doshi (HUF)	2,732,437	1.39
	Total	**194,362,917**	**98.61**

(e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this Draft Red Herring Prospectus:

No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre-Offer Equity Share capital (%)
1.	Mahavir Thermoequip Private Limited	57,826,867	29.33
2.	Bindiya Kirit Doshi	19,667,174	9.98
3.	Binita Hitesh Doshi	15,587,006	7.91
4.	Nipa Viren Doshi	15,164,151	7.69
5.	Hitesh Chimanlal Doshi	13,964,069	7.08
6.	Bina Pankaj Doshi	11,753,178	5.96
7.	Virenkumar Chimanlal Doshi	10,893,069	5.53
8.	Kirit Chimanlal Doshi	10,064,269	5.11
9.	Pankaj Chimanlal Doshi	7,582,114	3.85
10.	Pankaj Chimanlal Doshi (HUF)	7,546,333	3.83
11.	Virenkumar Chimanlal Doshi (HUF)	6,719,999	3.41
12.	Global Service Energy and Communication S.R.L. (formerly known as V.T. Telemetica S.p.A.)	6,240,000	3.17
13.	Pujan Pankaj Doshi	5,639,670	2.86
14.	Hitesh Chimanlal Doshi (HUF)	3,004,781	1.52
15.	Kirit Chimanlal Doshi (HUF)	2,800,012	1.42
	Total	**194,452,692**	**98.65**

9. Except for issuance of Equity Shares pursuant to exercise of employee stock option that may be granted pursuant to the ESOP Scheme and the Allotment of Equity Shares pursuant to the Offer, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as consideration for acquisitions or participation in such joint ventures or other arrangements.

10. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.

11. ***Details of shareholding of our Promoters and members of the Promoter Group***

(a) As on the date of this Draft Red Herring Prospectus, our Promoters hold 82,884,956 Equity Shares, equivalent to 42.04% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name of Promoter	Pre-Offer Equity Share capital		Post-Offer Equity Share capital	
		No. of Equity Shares	% of total Equity Share capital	No. of Equity Shares	% of total Equity Share capital*
1.	Mahavir Thermoequip Private Limited	57,826,867	29.33	[●]	[●]
2.	Hitesh Chimanlal Doshi	14,104,082	7.15	[●]	[●]
3.	Virenkumar Chimanlal Doshi	10,954,007	5.56	[●]	[●]
Total		**82,884,956**	**42.04**	[●]	[●]

(b) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(c) ***Build-up of the Promoters' shareholding in our Company***

The build-up of the equity shareholding of our Promoters since incorporation of our Company, is set forth in the table below:

Nature of transaction	Date of allotment/ transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Mahavir Thermoequip Private Limited						
Transfer from Raunak Securities Private Limited	March 6, 2009	125,000	10	1	0.06	[●]
Transfer from Paras Corporation Services Private Limited		125,000	10	1	0.06	[●]
Transfer from Goyal Finance India Limited		90,000	10	1	0.05	[●]
Transfer from Mona Digital	March 10, 2009	640,000	10	0.92	0.32	[●]
Transfer from Mona E-Securities		210,000	10	0.48	0.11	[●]
Transfer from Mona E-Securities		175,000	10	1.63	0.09	[●]
Transfer from Sidh Housing Development Company Limited		150,000	10	1	0.08	[●]
Transfer from Kantilal Doshi	March 18, 2009	56,000	10	1	0.03	[●]
Transfer from Rekha Chimanlal Doshi		56,000	10	1	0.03	[●]
Transfer from Rishikant Upadhya		80,000	10	1	0.04	[●]
Transfer from Abhilasha Money Operations Private Limited	March 27, 2009	200,000	10	1	0.10	[●]
Transfer from New Planet Trading Company Private Limited		400,000	10	1	0.20	[●]
Transfer from Binita Hitesh Doshi	October 10, 2009	1,000	10	10	*Negligible*	[●]
		3,000	10	10	*Negligible*	[●]

Nature of transaction	Date of allotment/ transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Transfer from Pankaj Chimanlal Doshi (HUF) (represented by its karta Pankaj Chimanlal Doshi)		8,000	10	10	*Negligible*	[●]
Transfer from Pankaj Chimanlal Doshi		17,500	10	10	*Negligible*	[●]
Transfer from Nipa Viren Doshi		7,000	10	10	*Negligible*	[●]
Transfer from Virenkumar Chimanlal Doshi (HUF) (represented by its karta Virenkumar Chimanlal Doshi)	October 12, 2009	15,000	10	10	*Negligible*	[●]
		3,500	10	10	*Negligible*	[●]
Transfer from Manor Steel Private Limited	November 13, 2009	100,000	10	1	0.05	[●]
Transfer from Waaree Infrastructure & Agritech Private Limited	March 13, 2010	984,930	10	1	0.50	[●]
Transfer to Divya Parekh	November 22, 2011	(1)	10	10	*Negligible*	[●]
Preferential allotment	December 16, 2011	29,000,000	10	10	14.71	[●]
Transfer to Jayesh D. Shah	December 17, 2011	(1)	10	10	*Negligible*	[●]
Transfer to Nipa Viren Doshi	September 29, 2014	(2,112,539)	10	10	(1.07)	[●]
Transfer to Chimanlal T. Doshi	September 30, 2014	(188,490)	10	5.75	(0.10)	[●]
Transfer to Binita Hitesh Doshi		(2,500,000)	10	10	(1.27)	[●]
Transfer to Hitesh Chimanlal Doshi		(5,370,796)	10	10	(2.72)	[●]
Transfer to Mayur Nagardas Hingu	October 16, 2014	(1,000)	10	30	*Negligible*	[●]
Transfer to Suman Saini		(1,000)	10	42	*Negligible*	[●]
Transfer to Himanshu J Chauhan		(1,000)	10	30	*Negligible*	[●]
Transfer to Mayank Jayantilal Shah		(1,000)	10	30	*Negligible*	[●]
Transfer to Mayank Jayantilal Shah	October 17, 2014	(29,000)	10	30	(0.01)	[●]
Transfer to Jayshree Kirti Surti	January 21, 2015	(1,000)	10	30	*Negligible*	[●]
Bonus issue in the ratio of eight Equity Shares for every five Equity Shares held	February 16, 2018	35,585,764	10	NA	18.05	[●]
Total		**57,826,867**			**29.33**	[●]
Hitesh Chimanlal Doshi						
Preferential allotment	October 15, 2008	6,233	100	100	0.03	[●]
Our Company had, pursuant to a Shareholders' resolution dated October 31, 2008, sub-divided its equity share capital by sub-dividing the face value of the equity shares from ₹100 to ₹10 per equity share. Accordingly, the 6,233 equity shares of ₹100 each of the Company held by Hitesh Chimanlal Doshi were sub-divided into 62,330 equity shares of ₹10 each of the Company.						

Nature of transaction	Date of allotment/ transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Preferential allotment	March 18, 2009	332,500	10	10	0.17	[●]
Transfer to Bhadresh Trading Corporation	March 30, 2009	(10)	10	10	*Negligible*	[●]
Transfer to Infines IT Services		(10)	10	10	*Negligible*	[●]
Transfer to Manorama Shirvadkar		(10)	10	10	*Negligible*	[●]
Transfer to Kumudini Shashikant Pathare		(10)	10	10	*Negligible*	[●]
Transfer to Rohit Shah		(10)	10	10	*Negligible*	[●]
Preferential allotment	July 24, 2009	36,000	10	10	0.02	[●]
Transfer to Waaree Infrastructure & Agritech Private Limited	October 10, 2009	(62,330)	10	10	(0.03)	[●]
		(332,450)	10	10	(0.17)	[●]
		(36,000)	10	10	(0.02)	[●]
Transfer from Mahavir Thermoequip Private Limited	September 30, 2014	5,370,796	10	10	2.72	[●]
Bonus issue in the ratio of eight Equity Shares for every five Equity Shares held	February 16, 2018	8,593,273	10	NA	4.36	[●]
Transfer from Hitesh Chimanlal Doshi (HUF)	October 19, 2019	79,075	10	40	0.04	[●]
Transfer (gift) from Rasilaben Chimanlal Doshi	March 18, 2021	60,938	10	-	0.03	[●]
Total		**14,104,082**			**7.15**	[●]
Virenkumar Chimanlal Doshi						
Preferential allotment	October 15, 2008	7,500	100	100	0.04	[●]
Our Company had, pursuant to a Shareholders' resolution dated October 31, 2008, sub-divided its equity share capital by sub-dividing the face value of the Equity Shares from ₹100 to ₹10 per equity share. Accordingly, the 7,500 equity shares of ₹100 each of the Company held by Virenkumar Chimanlal Doshi were sub-divided into 75,000 equity shares of ₹10 each of the Company.						
Transfer to Virenkumar Chimanlal Doshi (HUF)	December 15, 2008	(15,000)	10	10	(0.01)	[●]
Preferential allotment	March 18, 2009	1,500	10	10	*Negligible*	[●]
Preferential allotment	July 24, 2009	3,000	10	10	*Negligible*	[●]
Transfer to Waaree Infrastructure & Agritech Private Limited	October 12, 2009	(60,000)	10	10	(0.03)	[●]
		(1,500)	10	10	*Negligible*	[●]
		(3,000)	10	10	*Negligible*	[●]
Transfer from Waaree Instruments Limited	September 6, 2010	120,000	10	5.75	0.06	[●]
Preferential allotment	January 24, 2011	690,800	10	10	0.35	[●]
Transfer from Patan Solar Private Limited	December 17, 2011	1,286,554	10	10	0.65	[●]
Transfer from Patan Solar Private Limited	December 11, 2014	2,004,786	10	1	1.02	[●]
Transfer from Divya Parekh	August 22, 2016	1	10	10	*Negligible*	[●]

Nature of transaction	Date of allotment/ transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Transfer from Jayesh D. Shah		1	10	10	*Negligible*	[●]
Transfer from Bhartiben Shah		75,000	10	11	0.04	[●]
Transfer from Bhartiben Shah	November 21, 2017	12,500	10	10	0.01	[●]
Bonus issue in the ratio of eight Equity Shares for every five Equity Shares held	February 16, 2018	6,703,427	10	NA	3.40	[●]
Transfer (gift) from Rasilaben Chimanlal Doshi	March 18, 2021	60,938	10	-	0.03	[●]
Total		**10,954,007**			**5.56**	[●]

The details of build-up of the equity shareholding of our Promoters have been determined on the basis of the minutes of the meetings of the board, the register of members maintained by our Company, demat transfer statements, depository instruction slips and bank account statements. Also see, "Risk Factor- Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable" on page 55.

(d) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment/acquisition of such Equity Shares. Further, none of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Draft Red Herring Prospectus.

(e) Other than as disclosed below, no Equity Shares are held by the members of the Promoter Group (other than our Promoters) as on the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
Promoter Group					
1.	Pankaj Chimanlal Doshi	25,143,284	12.75	[●]	[●]
2.	Bindiya Kirit Doshi	19,768,112	10.03	[●]	[●]
3.	Binita Hitesh Doshi	15,647,944	7.94	[●]	[●]
4.	Nipa Viren Doshi	15,250,839	7.74	[●]	[●]
5.	Kirit Chimanlal Doshi	10,192,782	5.17	[●]	[●]
6.	Pankaj Chimanlal Doshi (HUF)	7,499,883	3.80	[●]	[●]
7.	Virenkumar Chimanlal Doshi (HUF)	6,694,249	3.40	[●]	[●]
8.	Hitesh Chimanlal Doshi (HUF)	2,925,706	1.48	[●]	[●]
9.	Kirit Chimanlal Doshi (HUF)	2,732,437	1.39	[●]	[●]
	Total	**105,855,236**	**53.70**	[●]	[●]

(f) Except as disclosed below, our Promoters, our Promoter Group, our Directors or their relatives or directors of our corporate Promoter have not purchased, acquired, gifted or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus:

Date of allotment/transfer	Promoter/ Promoter Group/ Director/ Relative of Director/ director of corporate Promoter	No. of Equity Shares	Face value per Equity Share (₹)	Transfer Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transaction
March 18, 2021	Promoter Group	365,628	10	NA	Gift	Transfer of Equity Shares [(1)]
March 22, 2021	Promoter Group	129,775	10	NA	Gift	Transfer of Equity Shares [(2)]
March 22, 2021	Promoter Group	121,872	10	NA	Gift	Transfer of Equity Shares [(3)]
March 30, 2021	Promoter Group	5,639,670	10	NA	Gift	Transfer of Equity Shares [(4)]

(1) *Transfer of 60,938 Equity Shares each to Nipa Viren Doshi, Virenkumar Chimanlal Doshi, Bindiya Kirit Doshi, Kirit Chimanlal Doshi, Binita Hitesh Doshi and Hitesh Chimanlal Doshi by Rasilaben Chimanlal Doshi by way of gift.*

(2) *Transfer of 129,775 Equity Shares to Pankaj Chimanlal Doshi by Rushabh Doshi by way of gift.*

(3) *Transfer of 121,872 Equity Shares to Pankaj Chimanlal Doshi by Rasilaben Chimanlal Doshi by way of gift.*

(4) *Transfer of 5,639,670 Equity Shares to Pankaj Chimanlal Doshi by Pujan Pankaj Doshi by way of gift.*

(g) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, directors of our corporate Promoter, our Directors or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

12. ***Details of Promoters' contribution and lock-in for three years***

(a) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters, except for the Equity Shares offered pursuant to the Offer for Sale, shall be locked in for a period of three years as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked-in for a period of one year from the date of Allotment.

(b) Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoters' Contribution are set forth in the table below:

Name of the Promoter	Date of allotment/ transfer of the Equity Shares	Nature of transaction	No. of Equity Shares**	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total						[●]	[●]	[●]	[●]

*** All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*

For details on the build-up of the Equity Share capital held by our Promoters, see "*Capital Structure- Build-up of the Promoters' shareholding in our Company*" on page 90.

(c) Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(d) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(ii) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

(iv) The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge.

13. ***Details of Equity Shares locked-in for one year***

In addition to the Promoters' Contribution which will be locked in for three years, as specified above, and Equity Shares successfully transferred by the Promoter Selling Shareholders as part of the Offer for Sale, the pre-Offer Equity Share capital of our Company held by the Promoters, excluding the Promoters' Contribution, will be locked-in for a period of one year from the date of Allotment, including any unsubscribed portion of the Offer for Sale by the Promoter Selling Shareholders ("**Promoters' One Year Lock-in**"), in accordance with Regulation 16(1)(b) of the SEBI ICDR Regulations.

14. ***Details of Equity Shares locked- in for six months***

The entire pre-Offer Equity Share capital of our Company, excluding the Promoters' Contribution and the Promoters' One Year Lock-in, will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale by the Other Selling Shareholders, in accordance with Regulations 17 of the SEBI ICDR Regulations, except for the (i) Equity Shares which may be Allotted to the employees (or such other persons as permitted by the SEBI SBEB Regulations and the ESOP Scheme) under the ESOP Scheme pursuant to exercise of options held by such eligible employees, whether current employees or not, in accordance with the ESOP Scheme; and (ii) Equity Shares Allotted pursuant to the Offer.

15. ***Lock-in of Equity Shares Allotted to Anchor Investors***

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

16. ***Recording on non-transferability of Equity Shares locked-in***

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

17. ***Other requirements in respect of lock-in***

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Promoters' Contribution for three years from the date of Allotment, the loan must have been granted to our Company or our Subsidiaries for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

18. **Employee Stock Option Scheme**

Our Company has formulated an employee stock option scheme namely the Waaree Energies Limited – Employee Stock Option Plan 2021 ("**ESOP Scheme**") pursuant to a resolution passed by the Board on August 30, 2021 and the Shareholders on September 1, 2021, with a maximum options pool of 10,000,000 options. Each option, when exercised, would be converted into one Equity Share of our Company, in accordance with the terms and conditions as may be decided under the ESOP Scheme. Further, the ESOP Scheme contemplates a statutory minimum vesting period of one year to maximum of five years from the date of grant of options.

The primary objective of the ESOP Scheme is to reward key employees for their association, dedication and contribution to the goals of the Company. The ESOP Scheme is in compliance with the SEBI SBEB Regulations with the Nomination and Remuneration Committee administering the ESOP Scheme. As on the date of this Draft Red Herring Prospectus, no options have been granted pursuant to the ESOP Scheme.

19. Our Company, the Directors and the BRLMs have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

20. All Equity Shares issued pursuant to the Offer shall be fully-paid up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus**.**

21. Except as disclosed in *"Our Management"* on page 205, none of our Directors or KMPs hold any Equity Shares in our Company.

22. Except as disclosed below, none of the directors of our corporate Promoter hold any Equity Shares in our Company:

S. No.	**Name of the Director**	**Pre-Offer**		**Post-Offer**	
		No. of Equity Shares	**Percentage of total Shareholding (%)**	**No. of Equity Shares**	**Percentage of total Shareholding (%)**
1.	Pankaj Chimanlal Doshi	25,143,284	12.75	[●]	[●]
2.	Nipa Viren Doshi	15,250,839	7.74	[●]	[●]
Total		**40,394,123**	**20.49**	**[●]**	**[●]**

23. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares of our Company. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

24. Except to the extent of sale of the respective portion of Offered Shares in the Offer for Sale by the Promoter Selling Shareholders, none of our Promoters and members of our Promoter Group will participate in the Offer.

25. Except for the allotment of Equity Shares upon any exercise of options vested pursuant to the ESOP Scheme, the Pre-IPO Placement and/or the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

SECTION IV – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue by our Company and the Offer for Sale by the Selling Shareholders.

The Offer for Sale

Each of the Selling Shareholders will be entitled to the respective portion of the proceeds of the Offer for Sale, after deducting their portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. All expenses in relation to the Offer other than the listing fees (which shall be borne by our Company) shall be shared among our Company and the Selling Shareholders on a *pro rata* basis, in proportion to the Equity Shares Allotted by our Company in the Fresh Issue and the respective portion of the Offered Shares sold by each Selling Shareholder in the Offer for Sale, in accordance with applicable law. The table below sets forth certain details in relation to the Selling Shareholders and their respective Offered Shares:

Sr. No.	Name of Selling Shareholder	Number of Offered Shares
1.	Hitesh Chimanlal Doshi	Up to 1,315,000
2.	Virenkumar Chimanlal Doshi	Up to 1,315,000
3.	Samir Surendra Shah	Up to 40,000
4.	Nilesh Gandhi jointly with Drasta Gandhi	Up to 22,500
5.	Mahavir Thermoequip Private Limited	Up to 1,315,000
Total		**Up to 4,007,500**

Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, or at the time the Offer is withdrawn or not completed for any reason whatsoever, each Selling Shareholder shall jointly and severally reimburse our Company for any expenses in relation to the Offer, other than the listing fees, paid by our Company on behalf of the respective Selling Shareholder, on a pro rata basis in proportion to their respective portion of the Offered Shares.

The Objects of the Fresh Issue

The net proceeds of the Fresh Issue, i.e., gross proceeds of the Fresh Issue less the offer expenses apportioned to our Company ("**Net Proceeds**") are proposed to be utilised in the following manner:

1. Proposing to finance the cost of establishing (a) 2 GW per annum solar cell manufacturing facility ("**Solar Cell Facility**"), and (b) 1 GW per annum solar PV module manufacturing facility ("**Solar Module Facility**"), at Village Degam, Taluka Chikhli, District Navasari, Gujarat, India.

2. General corporate purposes.

(collectively, referred to herein as "**Objects**")

In addition to the aforementioned Objects, our Company will receive the benefits of listing of its Equity Shares on the Stock Exchanges.

The main objects and the objects incidental and ancillary to the main objects of the MoA enables our Company (i) to undertake our existing business activities; (ii) to undertake activities for which funds are being raised by us through the Fresh Issue; and (iii) the funds earmarked towards general corporate purposes shall be used.

Net Proceeds

The details of the proceeds from the Fresh Issue are provided in the following table:

Particulars	Estimated amount (in ₹ million)^
Gross proceeds from the Fresh Issue#	**13,500***
(less) Offer related expenses to be borne by the Company**#	**[●]**
Net Proceeds	**[●]**

**Subject to full subscription of the Fresh Issue component*
***For further details, see "Objects of the Offer – Offer related expenses" on page 105.*

#*To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC*
^ *Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue subject to the Fresh Issue not reducing beyond the thresholds prescribed under Schedule XVI of the SEBI ICDR Regulations.*

Requirement of funds and utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ million)

Particulars	Total estimated amount/ expenditure	Total amount spent on the Objects as of August 31,2021(1)	Balance amount to be incurred	Estimated utilisation from Net Proceeds (2)
Establishing the Solar Cell Facility	9,783.55	680.42	9,103.13	9,103.13
Establishing the Solar Module Facility	1,842.28	429.90	1,412.38	1412.38
General corporate purposes (3)	[●]	-	-	[●]
Total	[●]	[●]	[●]	[●]

(1) *As certified Shah Gupta & Co., Chartered Accountants, our Statutory Auditors, by way of their certificate dated September 20, 2021.*
(2) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*
(3) *The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Our Company shall not recoup any cost spent towards the Solar Cell Facility and/ or the Solar Module Facility from the Net Proceeds.

In the event the Net Proceeds are not completely utilised for the Objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) delay in procuring and operationalizing assets or necessary licenses and approvals; (iii) timely completion of the Offer; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, capital expenditure towards the stated Objects may also be accelerated, due to early completion of various activities mentioned in this section.

We may also have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy and other external factors, which may not be within the control of our management. This may entail changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. The deployment of funds indicated above is based on management estimates, current circumstances of our business and prevailing market conditions, which are subject to change. Further, the deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See "*Risk Factors - Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale*" on page 56.

Subject to applicable laws, in the event of any increase in the actual requirement of funds earmarked for the purposes set forth above, such additional fund requirement will be met by way of means available to us, including from internal accruals.

Means of finance

Apart from the amounts already incurred towards the Objects, the balance amount to be spent on the Objects shall be financed entirely from the Net Proceeds and no debt shall be incurred to finance any component of such objects. Therefore, the requirements under Regulation 7(1)(e) of the SEBI ICDR Regulations to make firm arrangements through verifiable means of the stated means of finance are not applicable to this Offer.

Details of objects of the Offer

Financing the cost of establishing the Solar Cell Facility.

In order to reduce our dependence on imported solar cells and third-party solar cell suppliers in India, we intend to implement comprehensive backward integration measures by commencing manufacture of solar cells. For further details, see "*Business – Strategies - Implement strategic backward integration through development of adequate solar cell manufacturing capacities"* on page 170. Consequently, we propose to establish a 2 GW per annum solar cell manufacturing facility at Village Degam, Taluka Chikhli, District Navasari, Gujarat, India.

In order to establish the Solar Cell Facility, we would incur costs towards purchase of infrastructure, engineering services, solar cell manufacturing equipment, utilities, laboratory equipment, IT infrastructure, contingency, preliminary and pre-operative expenses and hedging expenses.

The land on which we propose to establish the Solar Cell Facility: (a) is owned by the Company and is registered in its name, (b) the Company has a clear title to the land, (c) the Company has received all approvals in relation to use of the land for the Solar Cell Facility. Consequently, no component of the Net Proceeds shall be incurred towards purchase of land.

Total estimated cost of the Solar Cell Facility

The total estimated cost to establish 2 GW of the Solar Cell Facility is ₹9,783.55 million, as estimated by our management, which has been certified by Oriens Advisors LLP, an independent advisory firm of engineers, pursuant to a report dated September 19, 2021 ("**Report**"). Of this cost, ₹9,103.13 million shall be utilised from the Net Proceeds.

The detailed break-down of estimated cost of the Solar Cell Facility, is set forth below:

(in ₹ million)

Sr. No.	Particulars	Total estimated cost(1)(3)	Amount deployed as of August 31, 2021(2)	Amount proposed to be funded from the Net Proceeds
1.	Land	677.43	677.43	0.00
2.	Infrastructure	922.15	0.00	922.15
3.	Engineering services	90.57	2.99	87.58
4.	Solar cell manufacturing equipment	3,925.28	0.00	3,925.28
5.	Utilities	3,254.02	0.00	3,254.02
6.	Laboratory equipment	139.30	0.00	139.30
7.	IT infrastructure	103.08	0.00	103.08
8.	Preliminary & pre-operative expenses	150.00	0.00	150.00
9.	Miscellaneous expenses	521.72	0.00	521.72
	Total	9,783.55	680.42	9,103.13

(1) *Total estimated cost as per the Report.*

(2) *As certified Shah Gupta & Co., Chartered Accountants, our Statutory Auditors, by way of their certificate dated September 20, 2021.*

(3) *For all imported machinery, our Company has assumed an exchange rate of ₹75.00 = USD 1.*

Our Company has not considered customs duty for import of equipment as we propose to avail benefits under Manufacturing and Other Operations in Warehouse Regulations (MOOWR) / Export Promotion Capital Goods (EPCG) scheme of the Government of India. Therefore, cost of imported components of the Solar Cell Facility does not include any expenditure towards customs and other import duties.

Details of cost of Solar Cell Facility

A detailed break-up of the estimated cost (except land cost) of establishing the Solar Cell Facility is set forth below:

Sr. No.	Particulars	Estimated cost *(in ₹ million)*[(1)]	Name of supplier/ vendor	Date of purchase order/ quotation
1.	Infrastructure cost - Infrastructure includes main building for housing the facility, reinforced cement concrete, utility building, laboratory building and fire safety equipment.	922.15	Waaree Renewables Private Limited.	Fixed cost lump sum turkey basis contract dated July 26, 2021, for undertaking all infrastructure related work in relation to the Solar Cell Facility
2.	Engineering services - includes designing and engineering services for the Cell Manufacturing Facility.	38.94 51.63	China Kide Engineering Corporation China Kide Engineering Corporation	1. Engineering Service Contract dated April 30, 2021 2. Quotation dated August 13, 2021 valid for 90 days Total Engineering Services amounted to ₹90.57 million.
3.	Solar Cell manufacturing equipment - comprises of 2 GW cell manufacturing equipment.	3,925.28	S.C New Energy Technology Corporation, China	Quotation dated August 10, 2021 from. The validity of the quotation is till February 28, 2022.
4.	Utilities - comprises equipment for nitrogen oxygen, chilled water system, cooling tower water system, compressed air system and process cooling water. It also comprises of heating, ventilation, and air conditioning systems, electrical equipment, wastewater treatment, gas systems, installation and commissioning etc.	3,254.02	China KIDE Engineering Corporation	Quotation dated August 13, 2021
5.	Laboratory equipment comprises of*			
	(a) offline equipment	104.20	Zuvay Technologies Private Limited	Quotation dated August 19, 2021, valid for 90 days
	(b) light induced degradation tester, potential induced degradation testers and high-resolution electro luminescence testers	7.35	Shanghai Easy R Energy	Quotation dated August 12, 2021, valid for 90 days
	(c) wafer inspection systems.	27.75	Applied Materials South East Asia	Quotation dated May 30, 2021, valid till October 31, 2021.
6.	IT Infrastructure – comprises of IT hardware and software and related equipment*	103.08	China Kide Engineering Corporation	Quotation dated August 13, 2021, valid for 90 days
7.	Preliminary & pre-operative expenses - costs related to certification, approvals, letter of credit facility charges, water and electricity charges, etc.	150.00	Management estimates	
8.	Miscellaneous expenses	521.72	Management estimates	
Total		**9,106.12**		

[1]*Cost is inclusive of taxes, duties, freight and insurance, as applicable.*
**Cost does not include freight, which is estimated to be negligible as compared to the overall cost and included in the preliminary and preoperative expenses.*

For all imported machinery, our Company has assumed an exchange rate of ₹75.00 = USD 1.

Schedule of implementation

The detailed schedule of implementation for the Solar Cell Facility is set forth below:

Sr. No.	Particulars	Commencement	Commissioning
1.	Land	July 2021	-
2.	Infrastructure	August 2021	February 2022
3.	Engineering services	June 2021	March 2022
4.	Solar Cell manufacturing equipment	January 2022	June 2022
5.	Utilities	December 2021	March 2022
6.	Laboratory equipment	January 2022	June 2022
7.	IT infrastructure	January 2022	June 2022
8.	Expected date of commercial operations	Second quarter of Fiscal 2023	

Financing the cost of establishing the Solar Module Facility.

In order to maintain our leadership position in the market and capitalise on growth opportunities in the industry, we propose to establish a 1 GW per annum Solar Module Facility at Village Degam, Taluka Chikhli, District Navasari, Gujarat, India. The Solar Module Facility would be adjacent to the Solar Cell Facility.

In order to establish the Solar PV Module Facility, we would incur costs towards purchase of infrastructure, engineering services, solar PV module manufacturing machinery, utilities, laboratory equipment, IT infrastructure, contingency, preliminary and pre-operative expenses and hedging expenses.

The land on which we propose to establish the Solar Module Facility: (a) is owned by the Company and is registered in its name, (b) the Company has a clear title to the land, (c) the Company has received all approvals in relation to use of the land for the Solar PV Module Facility. Consequently, no component of the Net Proceeds shall be incurred towards purchase of land and site development and site development.

Total estimated cost of the Solar PV Module Facility

The total estimated cost to establish 1 GW of the Solar PV Module Facility is ₹1,842.28 million, as estimated by our management, which has been certified by Oriens Advisors LLP, an independent advisory firm, pursuant to a report dated September 19, 2021 ("**Report**"). Of this cost, ₹1,412.38 shall be utilised from the Net Proceeds.

The detailed break-down of estimated cost of the Solar Module Facility, is set forth below:

(in ₹ million)

Sr. No.	Particulars	Total estimated cost(1)(3)	Amount deployed as of August 31, 2021(2)	Amount proposed to be funded from the Net Proceeds
1.	Land	192.78	192.78	0.00
2.	Infrastructure	446.73	0.00	446.73
3.	Engineering services	3.19	0.00	3.19
4.	Solar PV module manufacturing machinery	787.57	237.12	550.45
5.	Utilities	152.52	0.00	152.52
6.	Laboratory equipment	112.85	0.00	112.85
7.	IT infrastructure	30.00	0.00	30.00
8.	Preliminary & pre-operative expenses	30.00	0.00	30.00
9.	Miscellaneous expenses	86.64	0.00	86.64
	Total	**1,842.28**	**429.90**	**1,412.38**

(1) *Total estimated cost as per the Report.*
(2) *As certified Shah Gupta & Co., Chartered Accountants, our Statutory Auditors, by way of their certificate dated September 20, 2021.*
(3) *For all imported machinery, our Company has assumed an exchange rate of ₹75.00 = USD 1.*

Our Company has not considered customs duty for import of equipment as we propose to avail benefits under the MOOWR / EPCG scheme of the Government of India. Therefore, cost of imported components of the Solar Module Facility does not include any expenditure towards customs and other import duties.

Details of cost of Solar Module Facility

A detailed break-up of the estimated cost (except land cost) of establishing the Solar Module Facility is set forth below:

Sr. No.	Particulars	Estimated cost *(in ₹ million)*[(1)]	Name of supplier/ vendor	Date of purchase order/ quotation
1.	Infrastructure cost - Infrastructure includes main building for housing the facility, reinforced cement concrete, utility building, laboratory building and fire safety equipment.	446.73	Waaree Renewables Private Limited	Fixed cost lump sum turkey basis contract dated July 26, 2021, for undertaking all infrastructure related work in relation to the Solar Module Faculty
2.	Engineering services - Design for Mechanical Electrical and Plumbing	3.19	VMS Engineering and Design Services Private Limited	Purchase order dated May 4, 2021
3.	Solar PV Module manufacturing equipment, comprising of:			
	Automation line	500.62	Yingkou Jinchen Machinery Company Limited	Agreements dated April 25, 2020, August 1, 2020 and October 12, 2020
	Tabber and stringer	233.06	Wuxi Lead Intelligent Equipment Co. Limited	Agreement dated March 31, 2021
	Cell cutter	32.44	Suzhou Autoway System Co., Limited	Agreement dated March 25, 2021
	Sun simulator	21.45	Venus Energy Limited	Agreement dated May 6, 2021
4.	Utilities - comprises of heating, ventilation, and air conditioning systems and chillers, compressors, power transformers, power transmission lines, air piping systems, electrical panels, cables, cooling towers, water lines, etc.	152.52	Bluestar Limited, Innovative Engineers, Ingersoll Rand (India) Limited, Atlanta Electricals, Shri Sai Construction, Dakshin Gujarat Vij Company Limited, S V Trendz, Astek Electricals India Private Limited, Atlas Transformers India Limited, EFRA Projects LLP, Tirupati Sales Corporation, Himgiri Cooling Towers, Ultimate Engineering, Orion Equipment,	Purchase agreements between March 2021 – September 2021.

Sr. No.	Particulars	Estimated cost *(in ₹ million)*[(1)]	Name of supplier/ vendor	Date of purchase order/ quotation
			Greentech, Viral Enterprise, Vijay Steel	
5.	Laboratory equipment.	112.85[(2)]	Shanghai Easy R-Energy Tech. Co., Limited	Quotation dated August 12, 2021, valid for 90 days
6.	IT Infrastructure – comprises of IT hardware and software and related equipment	30[(2)]	Reboot Systems (India) Private Limited	Quotation dated August 19, 2021, valid for 90 days
8.	Preliminary & pre-operative expenses - costs related to certification, approvals, letter of credit facility charges, water and electricity charges, etc.	30.00	Management estimates	
9.	Miscellaneous expenses	86.64	Management estimates	
Total		1,649.5		

1. *Cost is inclusive of taxes, duties, freight and insurance, as applicable.*
2. *Does not include freight and insurance cost, which is estimated and are negligible as compared to the overall costs.*

For all imported machinery, our Company has assumed an exchange rate of ₹75.00 = USD 1.

Schedule of implementation

The detailed schedule of implementation for the Solar Module Facility is set forth below:

Sr. No.	Particulars	Commencement	Commissioning
1.	Land	July 2021	-
2.	Infrastructure	July 2021	January 2022
3.	Engineering services	June 2021	December 2021
4.	Solar PV Module manufacturing equipment	November 2021	March 2022
5.	Utilities	October 2021	February 2022
6.	Laboratory equipment	November 2021	March 2022
7.	IT infrastructure	November 2021	March 2022
8.	Expected date of commercial operations	Fourth quarter of Fiscal 2022	

Working capital requirements

The establishment of the Solar Cell Facility is a backward integration of existing manufacturing operations of our Company. At present, our Company is procuring solar cells from suppliers, which involves incurrence of working capital. Therefore, such backward integration of operations will not result in additional working capital requirement. Further, our Company sells products either against advance payment or against letter of credit, which results in sufficient liquidity to support working capital requirements of the Solar Module. In case we require working capital for the Solar Cell Facility or the Solar Module Facility, such requirements shall be fulfilled from our internal accruals.

Other confirmations

We are yet to place orders for 80.01% of the total cost of the Solar Cell Facility and Solar Module Facility, in aggregate, proposed to be financed from the Net Proceeds, aggregating to ₹10,515.51 million. There can be no assurance that we would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. The quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

No second-hand or used equipment is proposed to be purchased out of the Net Proceeds.

As disclosed in this section, we have engaged Waaree Renewables Private Limited for the turnkey infrastructure set – up of the Solar Cell Facility and the Solar Module Facility. Waaree Renewables Private Limited is a Group Company. For further details of Waaree Renewables Private Limited, see "*Group Companies*" on page 230. Other than the interest in Waaree Renewables Private Limited, our Promoter, Directors and Key Managerial Personnel do not have any interest in any entity from whom we have obtained quotations and/or placed purchase orders in relation to the Objects.

Further, for risk arising out of the Objects, see "*Risk Factors – We intend to utilise the Net Proceeds for funding our capital expenditure requirements and we are yet to place orders for a majority of such capital expenditure requirements. There is no assurance that we would be able to source such capital expenditure requirements in a timely manner or at commercially acceptable prices, which could adversely affect our expansion plans*" on page 56.

Government Approvals

For details of laws applicable and approvals required for the Solar Cell Facility and the Solar Module Facility, see "*Key Regulations and Policies in India*" and "*Government and Other Approvals*" on pages 183 and 363, respectively. Such approvals are granted on commencement or completion of various activities, as applicable. We will apply for such approvals in the ordinary course and in accordance with applicable laws. Further, the Solar Module Facility is classified under the "White Category" by Ministry of Environment and Forest and therefore, is not required to obtain the Environmental Clearance from Ministry of Environment and Forests, the consent to establish and the consent to operate, under applicable environmental laws in India.

General corporate purposes

Our Company intends to deploy any balance left out of the Net Proceeds towards general corporate, as approved by our management from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any.

Such general corporate purposes may include, but are not restricted to, the following:

(i) strategic initiatives;
(ii) funding growth opportunities;
(iii) strengthening marketing capabilities;
(iv) meeting ongoing general corporate contingencies;
(v) meeting fund requirements and other working capital requirements of our Company, in the ordinary course of its business;
(vi) meeting expenses incurred in the ordinary course of business; and
(vii) any other purpose, as may be approved by the Board, subject to compliance with applicable law.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsels, Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The estimated Offer expenses are as follows:

Sr. No.	Activity	Estimated amount* (in ₹ million)	As a % of total estimated Offer Expenses*	As a % of Offer Size*
1.	Fees payable to the BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, CRTAs and CDPs. (1) (2) (3) (4)	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Other expenses (i) Listing fees, SEBI filing fees, Stock Exchange processing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Offer, fees payable to the monitoring agency and fees payable to the legal counsel; (ii) Other advisors to the offer such as Independent chartered accountant, chartered engineer, Project Consultant, etc. (iii) Miscellaneous	[●] [●] [●]	[●] [●] [●]	[●] [●] [●]
	Total estimated Offer expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalisation of the Offer Price.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors, Eligible Employees and Non-Institutional Investors, which are directly procured by them would be as follows:

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Eligible Employees**	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted (plus applicable taxes)**

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No additional processing/uploading charges shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-syndicate members), CRTAs or CDPs from Retail Individual Investors (using Syndicate ASBA mechanism / 3- in -1 type accounts), Eligible Employees and Non-Institutional Bidders and submitted to the SCSBs for blocking as follows:

*Portion for Retail Individual Investors**	*₹[●] per valid ASBA Forms (plus applicable taxes)*
*Portion for Eligible Employees**	*₹[●] per valid ASBA Forms (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹[●] per valid ASBA Forms (plus applicable taxes)*

**Based on valid ASBA Forms*

(2) The processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows: Sponsor Bank will be entitled to processing fee of ₹[●] per valid ASBA Form for Bids made by RIIs using the UPI Mechanism. The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, amendments, the Syndicate Agreement and other applicable laws.

(3) Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Investors (using the UPI Mechanism), Eligible Employees and Non-Institutional Investors which are procured by the members of the Syndicate (including their sub-syndicate members), CRTAs, CDPs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-syndicate members) would be as follows:

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Eligible Employees**	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted (plus applicable taxes)**

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The selling commission payable to the Syndicate/ sub-syndicate members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-syndicate member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate/ sub-syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ sub-syndicate member.

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

The selling commission payable to the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading charges/ processing charges of ₹[●] per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- *for applications made by Retail Individual Investors using the UPI Mechanism*

Uploading Charges/ Processing Charges of ₹[●] per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- *for applications made by Retail Individual Investors/ Eligible Employees using 3-in-1 type accounts*
- *for Non-Institutional Investor Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts,*

The Bidding/uploading charges payable to the Syndicate/Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(4) Selling commission payable to the registered brokers on the portion for Retail Individual Investors, Eligible Employees and Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows: Portion for Retail Individual Investors, Eligible Employees and Non-Institutional Investors: ₹[●] per valid ASBA Form (plus applicable taxes).

Interim Use of Net Proceeds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by the Board of Directors from time to time. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity shares of any other listed company or for any investment in the equity markets.

Bridge Loan

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

In terms of Regulation 41(1) of the SEBI ICDR Regulations, we have appointed [●] as the monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet for such Fiscals, as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors. Further, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above, within a period of 45 days from the end of each quarter. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects unless our Company is authorised to do so by way of a special resolution passed in a general meeting of its

Shareholders or through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution, shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and provisions of Regulation 59 and Schedule XX of the SEBI Regulations.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law.

Other Confirmations

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Companies (other than with Waaree Renewables Limited, as disclosed in this section) or Key Management Personnel. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoter, members of the Promoter Group, Directors, Key Management Personnel or our Group Companies in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

BASIS FOR THE OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value of the Equity Shares. Investors should also refer to "*Our Business*", "*Risk Factors*", "*Restated Consolidated Financial Statements*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" on pages 165, 29, 235 and 322, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Leading solar PV module manufacturer in India well positioned to capture strong industry tailwinds and growth prospects for solar energy
- Marquee customer base in India and globally
- Deep penetration into the rooftop segment through our pan-India franchisee network
- Consistent track record of financial performance leading to strong balance sheet position
- High quality manufacturing with stringent quality control and global accreditations
- Experienced senior management team with a committed employee base

For further details, see "*Our Business – Our Strengths*" on page 167.

Quantitative factors

The information presented below relating to our Company is based on the Restated Consolidated Financial Statements. For further information, see "*Financial Information*" on page 235.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and diluted earnings per share ("EPS")

Fiscal	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2021 as per the Restated Consolidated Financial Statements	2.50	2.50	3
March 31, 2020 as per the Restated Consolidated Financial Statements	2.12	2.12	2
March 31, 2019 as per the Restated Consolidated Financial Statements	4.18	4.18	1
Weighted Average	2.65	2.65	

Notes:

Basic EPS = $\frac{\text{Restated net profit after tax for the year attributable to the owners of the Company}}{\text{Weighted average number of equity shares and potential equity shares outstanding during the year}}$

Diluted EPS = $\frac{\text{Restated net profit after tax for the year attributable to the owners of the Company}}{\text{Weighted average number of diluted equity shares and potential equity shares outstanding during the year}}$

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for Fiscal 2021 as per the Restated Consolidated Financial Statements	[●]	[●]
Based on diluted EPS for Fiscal 2021 as per the Restated Consolidated Financial Statements	[●]	[●]

Industry Peer Group P/E ratio

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

III. Return on Net Worth ("RoNW")

Financial Year ended	RoNW (%)	Weight
March 31, 2021 as per the Restated Consolidated Financial Statements	14.28	3
March 31, 2020 as per the Restated Consolidated Financial Statements	14.01	2
March 31, 2019 as per the Restated Consolidated Financial Statements	32.11	1
Weighted Average	17.16	

Notes:

Return on Net Worth (%) = $\frac{\textit{Restated net profit after tax for the year attributable to the owners of the Company}}{\textit{Restated equity attributable to owners of the Company}}$

IV. Net asset value per Equity Share

Net Asset Value per Equity Share	(₹)
As on March 31, 2021 as per the Restated Consolidated Financial Statements	17.48
After the Offer	
(i) Floor Price	[●]
(ii) Cap Price	[●]
At Offer Price	[●]

Notes:

Net Asset Value per share = $\frac{\textit{Restated equity attributable to owners of the Company}}{\textit{Number of equity shares outstanding during the year}}$

V. Comparison with listed industry peers

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

VI. The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹[●] has been determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares through the Book Building process. Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs are justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", *Management Discussion and Analysis of Financial Position and Results of Operations*" and "*Financial Information*" on pages 29, 165, 322 and 235, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 29 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO WAAREE ENERGIES LIMITED ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE TAX LAWS IN INDIA

Date: September 18, 2021

To

The Board of Directors,
Waaree Energies Limited
602, 6th Floor, Western Edge - I
Western Express Highway
Borivali (East), Mumbai 400066
Maharashtra, India

Subject: Statement of Possible Special Tax Benefits available to the Company and the shareholders of the company under the direct and indirect tax laws

Dear Sirs,

We refer to the proposed initial public offering of equity shares of Waaree Energies Limited (the "**Company**"). We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company and the shareholders of the Company as per the provisions of the Indian direct and indirect tax laws, including the Income-tax Act 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the "**Taxation Laws**"), including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2015-2020 (which has been extended now by another one year i.e., up to September 30, 2021 vide Notification no. 60/2015-2020-DGFT dated March 31, 2021, as presently in force and applicable to the assessment year 2022-23 relevant to the financial year 2021-22 for inclusion in the Draft Red Herring Prospectus ("**DRHP**"), Red Herring Prospectus ("**RHP**") and Prospectus for the proposed initial public offering of shares of the Company, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws, including the Income-tax Act, 1961. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders will continue to obtain these benefits in future; and
- The conditions prescribed for availing the benefits have been/would be met.

We hereby give our consent to include this statement and the enclosed Annexure regarding the special tax benefits available to the Company and the shareholders of the Company in the DRHP, RHP and Prospectus for the proposed public offering of equity shares of the Company, which the Company intends to submit/file to the Securities and Exchange Board of India, the Registrar of Companies, Maharashtra at Mumbai and the stock exchanges where the equity shares of the Company are proposed to be listed (as applicable), provided that the below statement of limitation is included in the DRHP, RHP and Prospectus.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed offer relying on the Annexure.

This statement has been prepared solely in connection with the proposed initial public offering of equity shares of the Company under the ICDR Regulations.

Yours Sincerely,
For Shah Gupta & Co.
Chartered Accountants
Firm Reg. No. 109574W

Vipul K Choksi
Partner
Membership No: 37606
UDIN: 21037606AAAACR8747

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE WAAREE ENERGIES LIMITED (THE "COMPANY") AND THE COMPANY'S SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current tax laws presently in force. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND TO THE SHAREHOLDERS OF THE COMPANY

Under the Income-tax Act, 1961 ("Act")

I. ***Special tax benefits available to the Company***

Nil

II. ***Special tax benefits available to Shareholders***

Nil

Notes:

1. The benefits in I and II above are as per the current tax law as amended by the Finance Act, 2021.

2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them.

3. Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR ten crores.

4. If the company opts for concessional income tax rate under Section 115BAA of the Act, surcharge shall be levied at the rate of 10%.

5. Health and education cess @ 4% on the tax and surcharge is payable by all category of tax payers.

6. If the company opts for concessional income tax rate as prescribed under Section 115BAA of the Act, it will not be allowed to claim any of the following deductions:

- Deduction under the provisions of Section 10AA of the Act (deduction for units in Special Economic Zone)
- Deduction under clause (iia) of sub-section (1) of Section 32 of the Act (Additional depreciation)
- Deduction under Section 32AD or Section 33AB or Section 33ABA of the Act (Investment allowance in backward areas, Investment deposit account, site restoration fund)
- Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 of the Act (Expenditure on scientific research)
- Deduction under Section 35AD or Section 35CCC of the Act (Deduction for specified business, agricultural extension project)

- Deduction under Section 35CCD of the Act (Expenditure on skill development)
- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA or Section 80M of the Act;
- No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A of the Act, if such loss or depreciation is attributable to any of the deductions referred above

7. Further, it was also clarified by CBDT vide circular No. 29/ 2019 dated 2 October 2019 that if the company opts for concessional income tax rate under Section 115BAA of the Act, the provisions of Section 115JB of the Act regarding Minimum Alternate Tax (MAT) are not applicable. Further, such company will not be entitled to claim tax credit relating to MAT.

8. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

STATEMENT OF POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY

I. ***Special tax benefits available to the Company***

The Company is eligible to avail the benefit of export of goods without payment of integrated tax from its Surat facility situated in Surat Special Economic Zone.

II. ***Special tax benefits available to Shareholders***

Nil

Notes:

The above statement of possible indirect tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences.

SECTION V - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is obtained or extracted from "Solar power market in India" dated September 2021 prepared and released by CRISIL and exclusively commissioned by and paid for by us. The data included herein includes excerpts from the CRISIL Report and may have been re-classified by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Financial information used herein is based solely on the audited financials of the Company and other peers. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. See also, "Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 54. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

While preparing its report, CRISIL has also sourced information from publicly available sources, including our Company's financial statements available publicly. However, financial information relating to our Company presented in other sections of this Draft Red Herring Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, the financial information of our Company in this section is not comparable with Ind AS financial information presented elsewhere in this Draft Red Herring Prospectus.

Overview of Indian Macroeconomic Landscape

India is the sixth-largest economy in the world, with gross domestic product (GDP) of ₹135 trillion in Fiscal 2021, as per estimates of the National Statistical Office ("**NSO**"). In Fiscal 2021, though the economy contracted 7.3% as per the NSO's provisional estimates, amid challenges heaped by the COVID-19 pandemic in the first half of the year. The economy turned positive in the second half of the year, with fourth quarter GDP estimated at have posted a mild 1.6% uptick. However, a fierce second wave of the pandemic in the first quarter of Fiscal 2022 has once again buffeted the economy. While this time the lockdowns have been localised in nature across the states, it has nevertheless taken a toll on the economy.

GDP Trajectory (% change)

At basic prices	FY16	FY17	FY18	FY19	FY20	FY21	At market prices	FY16	FY17	FY18	FY19	FY20	FY21
							GDP	8	8.2	7.2	6.8	4.0	-7.3
Agriculture	0.6	6.3	5	2.9	4.3	3.6	Private consumption	7.4	7.3	7.4	8.1	5.5	-9.1
Industry	9.8	6.8	6.2	8.4	-1.8	-5.6	Govt. consumption	6.8	12.2	15	9.2	7.9	3.3
Manufacturing	12.8	7.9	5.9	6.9	-2.4	-7.2	Fixed investment	5.2	10.1	9.3	10	5.4	-10.8
Mining & quarrying	13.8	13	5.1	1.3	-2.5	-8.5	Exports	-5.6	5	4.7	12.5	3.3	-5.0
Services	9.6	7.5	8.1	7.5	7.3	-8.1	Imports	-5.9	4	17.6	15.4	-0.8	-13.6

Source: Central Statistics Office (CSO), CEIC, CRISIL Research

India's GDP witnesses a lesser decline

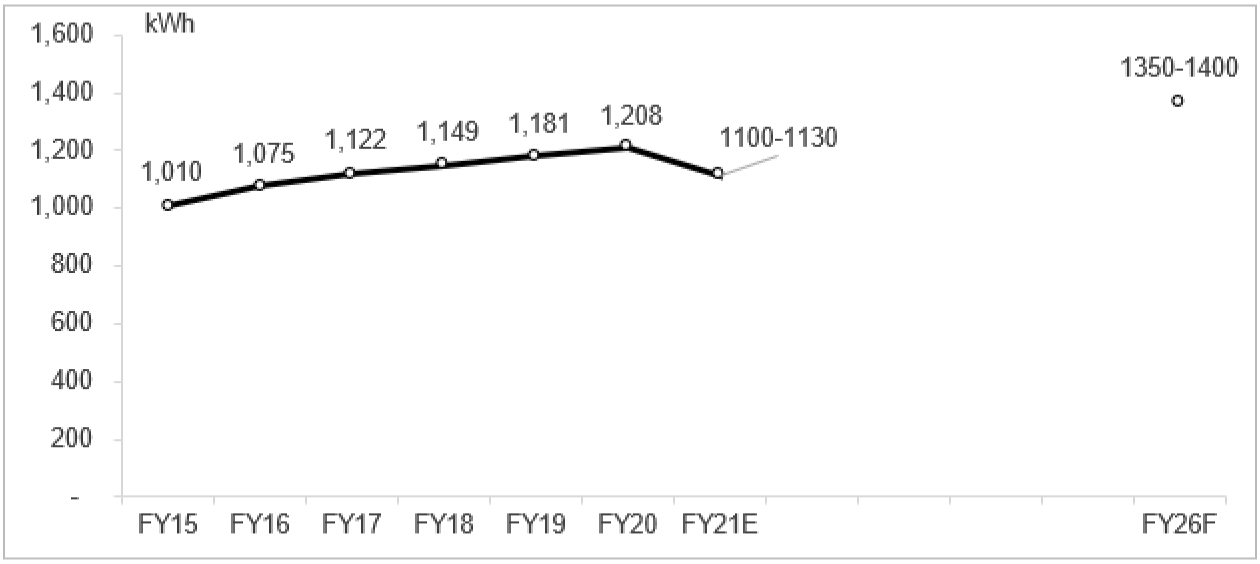
India's GDP rebounded in the second half of Fiscal 2021, growing 0.5% and 1.6% in third and fourth quarters, on-year, respectively. The country's real GDP shrunk 7.3% in Fiscal 2021 as compared to an earlier estimate of 8.0% contraction, according to provisional estimates released by the NSO. The sharp slowdown due to the pandemic fallout pushed the gross value added ("**GVA**") the supply-side measure of the economy, of most sectors back by over a year; the GVA was -6.2%. However, while the economy shrank as a whole in Fiscal 2021, agriculture and allied activities, and electricity, gas, water supply and other utility services expanded. Contact-intensive trade, hotels, transport and communication sectors, and services-related segments such as broadcasting, though, were severely affected, declining in all quarters. Construction, which is a labour-intensive sector, was also severely hit in the first half; but it rebounded in the second half.

Per capita power consumption

Electricity consumption per person rose from 1,010 kWh in Fiscal 2015 to 1,208 kWh in Fiscal 2020, at a CAGR of 2.6%, primarily due to strengthening of the transmission and distribution ("**T&D**") network along with large capacity additions. T&D network expansion has reduced the deficit levels as well as added hitherto unconnected areas to the electricity grid, providing electricity to more households, and commercial and industrial establishments.

In Fiscal 2021, per capita consumption is estimated to have dipped to 1,100kWh – 1,130 kWh as power demand slid, particularly from high-consuming industrial and commercial categories due to weak economic activity caused by the COVID-19 outbreak. Between Fiscals 2021 and 2026, India's per capita electricity consumption is expected to grow at a healthy 5% and 6% CAGR over last year's low base. Per capita consumption is expected to gradually improve in the long term as power demand picks up due to improvement in access to electricity, in terms of quality and reliability, on account of intensive rural electrification and reduction in cost of power supply, resulting in realisation of latent demand from the residential segment. Consequently, CRISIL Research expects the per capita electricity consumption to reach 1,350 kWh – 1,400 kWh by Fiscal 2026.

Per capita electricity consumption (kWh)



E: Estimated; F: Forecast
Source: CEA, CRISIL Research

India's economic outlook favourable vs global average

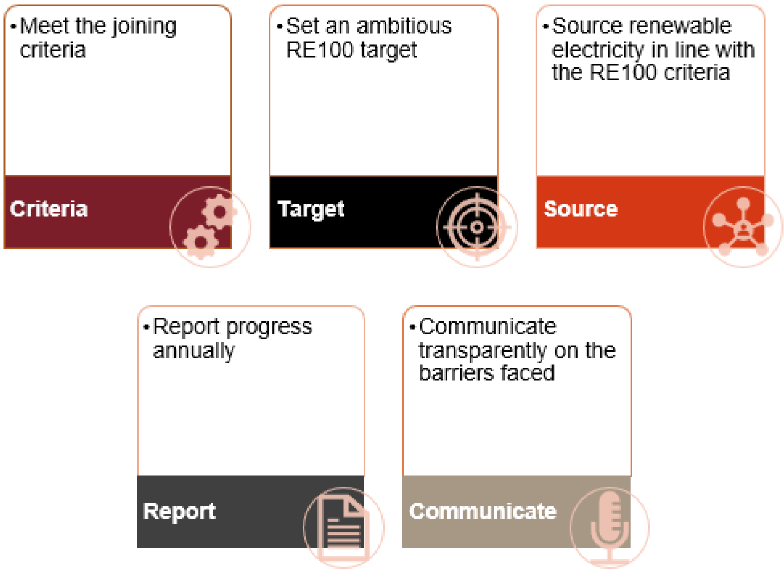
According to S&P Global's forecast, India is likely to retain its position as the fastest-growing economy in the world in 2021. Based on its estimates, India's growth rate will be significantly higher than the global average of approximately 5.5%, and also higher than other developing economies, such as China and Brazil. The ongoing liberalisation of India's foreign direct investment ("**FDI**") regime has also triggered a surge in investments, especially after the launch of the 'Make in India' campaign in October 2014. India has remained an attractive investment destination, with net FDI flows crossing a high in Fiscal 2021 vis-à-vis a collapse in global FDI flows, especially those going to advanced economies.

Key Global Initiatives

RE100

RE100 is a collaborative, global initiative by influential businesses committed to 100% renewable electricity, working to increase demand for, and delivery of, renewable energy. Various progressive companies are opting for 100% renewable energy and optimising the benefits of cost reduction and enhanced reputation. By doing do, they are also encouraging the global market for renewable energy and helping reduce emissions.

Requirements to become a member of RE100



Source: RE100, CRISIL Research

2020 Progress and Insights Annual Report

As per the RE100, 2020 Progress and Insights Annual Report, corporate demand for renewable power is continuing to grow despite 2020's challenges. But it also shows that ambitious companies are being held back by limited availability, regulatory complexities, and the resulting higher costs in some markets. Governments need to do more.

Key Findings of the 2020 Progress and Insights Annual Report

Growth and diversity	• The RE100 membership continues to grow and diversify, with 42% of new members coming from the Asia-Pacific region.
Steady progress	• Members have ambitious targets and are making steady progress towards them - 65 members are now sourcing >90% renewable power.
Creating impact	• Members are using more impactful sourcing strategies - power purchase agreements now account for 26% of members' renewable electricity use (also generating cost savings).
The barriers	• Ambitious companies are being held back by limited availability, regulatory complexities and the resulting high costs in some markets.
More challenging markets	• Argentina, Australia, China, Indonesia, Japan, New Zealand, Russia, Singapore, South Korea and the Taiwanese market are the most challenging for achieving 100% renewable electricity, according to our members.
The opportunities	• Asia-Pacific markets can be challenging markets, according to members, but addressing these challenges offers some of the biggest opportunities for clean investment and growth.

Source: RE100, CRISIL Research

The International Solar Alliance

The International Solar Alliance (ISA) was conceived as a coalition of solar-resource-rich countries (which lie either completely or partly between the Tropic of Cancer and the Tropic of Capricorn) to address their special energy needs. The ISA will provide a dedicated platform for cooperation among solar-resource-rich countries, through which the global community, including governments, bilateral and multilateral organisations, corporates, industry, and other stakeholders, can contribute to help achieve the common goal of increasing the use and quality of solar energy in meeting energy needs of prospective ISA member countries in a safe, convenient, affordable, equitable, and sustainable manner.

ISA has been conceived as an action-oriented, member-driven, collaborative platform for increased deployment of solar energy technologies to enhance energy security and sustainable development, and to improve access to energy in developing member countries. The ISA has 122 sun-belt countries that lie between the two tropics as its prospective member countries, and currently boasts a membership of 86 countries globally. The ISA plays a four-fold role in establishing a global solar market: it is an accelerator, an enabler, an incubator, and a facilitator.

The ISA roles

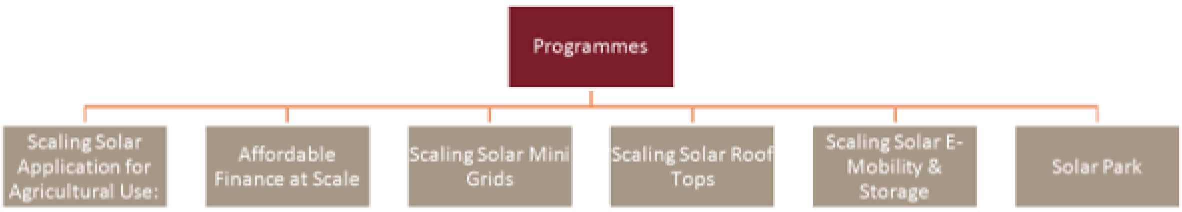
Accelerator: Demand aggregation	Enabler	Incubator: Common risk mitigation mechanism (CRMM)	Facilitator: Project preparation support/investments
What does each role mean?			
• The ISA helps to aggregate and harmonise demand, risk and resources, across member countries, thus creating a large 'buyers' market', with the objective of lowering costs for members, and	• The ISA assists member countries in finding suitable bilateral or multilateral funding • The ISA does not explicitly provide funds or technology; it helps create conditions that make funding, developing and deploying solar applications on a large scale possible	• Facilitates commissioning of studies to define and structure CRMM for solar power generation projects in solar rich countries • The objective of CRMM is de-risking and reducing the	• Facilitate stakeholder consultations, workshops, and forums for member countries to foster enabling environments for solar energy projects • The ISA supports member countries with procurement processes and with

Accelerator: Demand aggregation	Enabler	Incubator: Common risk mitigation mechanism (CRMM)	Facilitator: Project preparation support/investments
catalysing innovation and investments • De-risks potential solar energy investments through several initiatives • Addresses barriers and solutions to unlock and foster deployment of solar energy in ISA resource-rich countries	• The ISA is an international body that puts the spotlight on ideas, advances, and technologies from across the world • The ISA has one clear aim: affordable energy for all The ISA's two key enabling programmes: i- STAR - C i-STAR-C seeks to: • Build a network of training/R&D/Standardisation/ Technical STAR- centres working on solar energy • Conduct online and in-person training programs for solar energy stakeholders • Provide testing and technical certification capabilities to key STAR centres offering ISA Solar Fellowship for mid-career professionals	financial cost of solar projects in ISA-member countries. • CRMM will act as a pooled insurance with limited liability. Banks and multi-lateral institutions can contribute to the fund for a marginal premium. This will lower the cost of capital for developing renewable energy projects. Singh said India is taking a lead role for setting up the ISA and its institutions	aggregating technologies so that the cost of procurement and terms and conditions of procurement are friendly. • Capacity building: The ISA also facilitates capacity building of local technicians, entrepreneurs etc. to promote local entrepreneurship and local assembly of solar equipment.

Source: MNRE, CRISIL Research

As guided by the framework agreement of the ISA, the interests and objectives of the ISA are to collectively address key common challenges to scale up solar energy applications in line with their needs; to mobilize investments of more than US$ 1,000 billion by 2030; to take coordinated action through programmes and activities launched on a voluntary basis, aimed at better harmonisation, aggregation of demand, risk and resources, for promoting solar finance, solar technologies, innovation, R&D, capacity building etc; to reduce the cost of finance to increase investments in solar energy in member countries by promoting innovative financial mechanisms and mobilising finance from institutions; to scale up applications of solar technologies in member countries; to facilitate collaborative R&D activities in solar energy technologies among member countries; and to promote a common cyber platform for networking, cooperation, and exchange of ideas among member countries.

Programmes by ISA



Source: ISA, CRISIL Research

Scaling solar applications for agricultural use – The ISA's programme on Scaling Solar Applications for Agriculture Use (SSAAU) focuses on providing greater energy access and a sustainable irrigation solution to farmers through the deployment of solar water pumping systems in member countries. To make the projects viable and affordable, the ISA has aggregated demand from various countries to substantially reduce system costs.

Affordable finance at scale - The ISA secretariat intends to provide financial assistance to 47 LDCs and Small Island Developing States (SIDS) member countries for the implementation of pilot projects across three major themes: ISA CARES initiative, ISA Solar Water Pumping programme (SWPS), and ISA Solar Cold Storage initiative. The secretariat also provides financial aid for any other innovative project(s) of particular importance to the concerned member country. The ISA aims to promote innovative technologies and efficient business models for various solar applications through the implementation of these three categories of demonstration projects. The technical and financial assistance to be provided would cover expenditure up to US$ 50,000 per member country in LDCS and SIDS. Currently, the ISA Secretariat is working on finalising operational modalities for implementing demonstration projects.

Scaling solar mini grids – The ISA secretariat has also drafted and circulated a model mini-grid policy to national focal points after due approval. It is in the process of developing a robust implementation plan for the mini-grid programme. The solar rooftop programme aims to promote, assess potential, harmonise demand, and pool resources for scaling up rooftop solar (both off-grid and grid-connected) in ISA member countries.

As a structural base to start implementing the programme, the ISA secretariat has launched two studies, one to assess the member countries' capacities and needs on solar electric mobility and storage, and the other to benchmark the existing technologies and projects on solar e-mobility, solar-powered charging infrastructure and storage systems. In line with these objectives, the first two studies under the programme have been structured to provide a reference point under which future endeavours or missions of the ISA will be planned.

The programme of solar parks aims at development of large-scale solar power projects under the solar park concept in cluster/group of ISA member countries.

In 2015, the ISA was targeted to serve to 121 sun-rich countries lying between the Tropic of Cancer and the Tropic of Capricorn. Most of these countries were poor, having insignificant presence of solar capacity. Subsequently, in 2018, the ISA membership was opened for all member countries of the United Nations. The Paris Declaration establishes the ISA as an alliance dedicated to the promotion of solar energy among its member countries. The major objectives of the organisation include deployment of 1000 GW of solar capacity and mobilisation of US$ 1,000 billion of investment in the solar energy sector by 2030.

The ISA model is independent of member commitments. It helps to get private investments in member countries to encourage solar developments. Due to higher costs of finance and overall economic as well as geo-political situation, private investors are not inclined towards these countries. Also, lack of government policies and technical know-how affects investment opportunities. The ISA aims to reduce the risks by aggregating demand of small projects within or across countries, thereby reducing capital costs. In 2019, the ISA brought down the price of 272,579 solar water pumps by almost half through a first-of-its-kind global price tender. The bid brought down the price of the pumps by US$ 670 to US$ 800, per horsepower, a record low.

COP 21

The Paris Climate Change Conference was the 21st meeting of the Conference of Parties (COP 21) of the United Nations Framework Convention for Climate Change (UNFCCC). The agreement arrived at the meeting does not legally bind the countries to emission reduction targets. It is a voluntary commitment made by each of them based on their respective national circumstances (called intended nationally determined contributions or INDCs). However, regular review and submission of INDCs is legally binding on the countries. The agreement was adopted by 196 parties at COP 21 and came into force on 4 November 2016.

The goal of the agreement is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. To achieve the goal, countries need to reach global peaking of GHG emissions as soon as possible. The agreement works on a five-year cycle, and by 2020, countries were required submit their plans for climate action known as nationally determined contributions (NDCs). These NDCs represent the efforts, which need to be taken by each country to reduce national emissions. The Paris Agreement provides a framework for financial, technical, and capacity building support to those countries who need it.

As a result of the agreement, many countries, regions, states, cities, and companies are establishing carbon neutrality targets. Zero-carbon solutions are becoming competitive across economic sectors, representing 25% of emissions. This trend is quite evident in the power and transport sectors. By 2030, zero-carbon solutions could be competitive in sectors representing over 70% of global emissions. Around 192 parties have submitted their first NDCs and 10 parties have submitted their second NDCs.

Country	NDCs (actions by 2030)
China	• Achieve the peaking of carbon dioxide emissions around 2030 and making best efforts to peak early

Country	NDCs (actions by 2030)
	• Reduce carbon dioxide emissions per unit of GDP by 60-65% from the 2005 level • Increase the share of non-fossil fuels in primary energy consumption to around 20% • Increase the forest stock volume by around 4.5 billion cubic metres on the 2005 level
USA	• Reducing its net GHG emissions by 50-52% below 2005 levels in 2030 • 100% carbon pollution-free electricity by 2035
Japan	• Reduction of 26.0% by Fiscal 2030 from Fiscal 2013 levels (25.4% reduction compared with Fiscal 2005 levels).
Australia	• Reduce GHG emissions by 26-28% below 2005 levels by 2030
EU	• Reduce EU GHG emissions by at least 55% by 2030, compared with 1990 levels
Canada	• Reduce emissions and energy costs of homes by creating a CA$2.6 billion Canada Greener Homes Grant initiative with grants of up to CA$5,000, and investing CA$4.4 billion to help homeowners complete deep home retrofits through interest-free loans worth up to CA$40,000 • Continue working on low-income retrofit programmes with the provinces and territories to increase the number of households that benefit from energy retrofits • Invest CA$1.5 billion to support green and accessible retrofits, repairs or upgrades of existing public community buildings, and the construction of new, publicly accessible community buildings that serve high-needs, underserved communities across Canada • Invest CA$2 billion in financing large-scale commercial and public building retrofits as part of the Canada Infrastructure Bank's CA$10 billion Growth Plan

During 2020, various countries and states committed to achieve net-zero emissions. Many more will announce during 2021. Similarly, many companies are committing to decarbonise their operations. All such commitments were not normal in 2015 or 2016. The Paris Agreement has definitely encouraged many of the stakeholders towards a decarbonised economy. Such announcements as well as declining renewable energy (RE) tariffs have changed the mindset of top executives, and they are committing to net-zero emissions.

Indian Power Sector

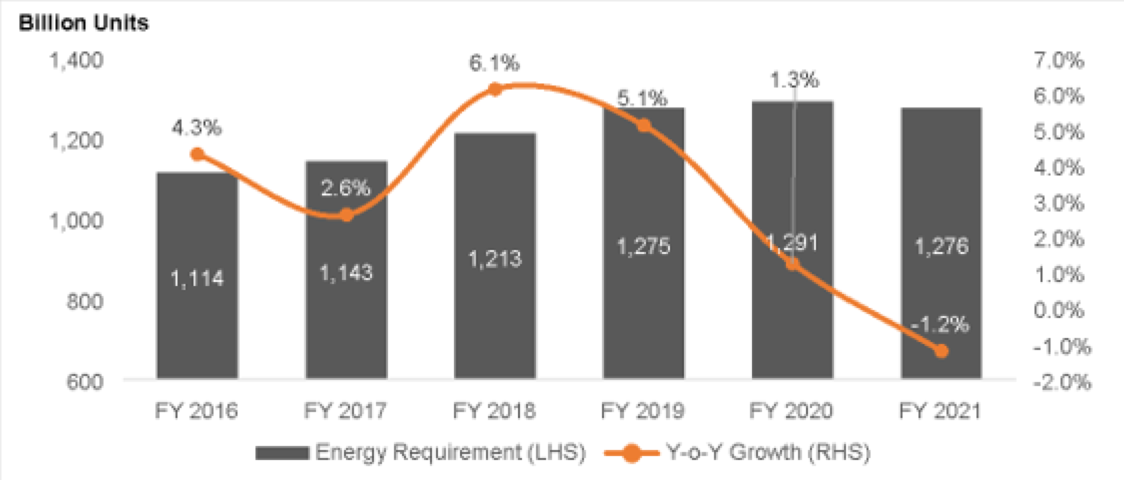
Power demand-supply scenario in India

Tepid rise in demand coupled with rising supply narrowed power deficit

Power demand growth was 1.3% on-year in Fiscal 2020 due to a slowing economy, with an extended monsoon till October 2019 further dampening demand. Demand showed a slight recovery in January 2020 and February 2020 with the onset of summer, but the pandemic brought economic activity to a halt in March 2020, thereby pushing power demand growth into negative territory.

Demand for power slipped further in the first quarter of Fiscal 2021 by approximately 16% during the quarter due to COVID-19 lockdown measures. As measures eased, the economy has slowly opened up and power demand started to recover over the next few quarters to cater to rises in demand throughout the year. Power consumption was on the higher side in March 2021, on the back of healthy economic activity and lower base of March 2020, leading to 7-8% year-on-year growth in the fourth quarter. Consequently, power demand posted a decline of 1-2% in Fiscal 2021.

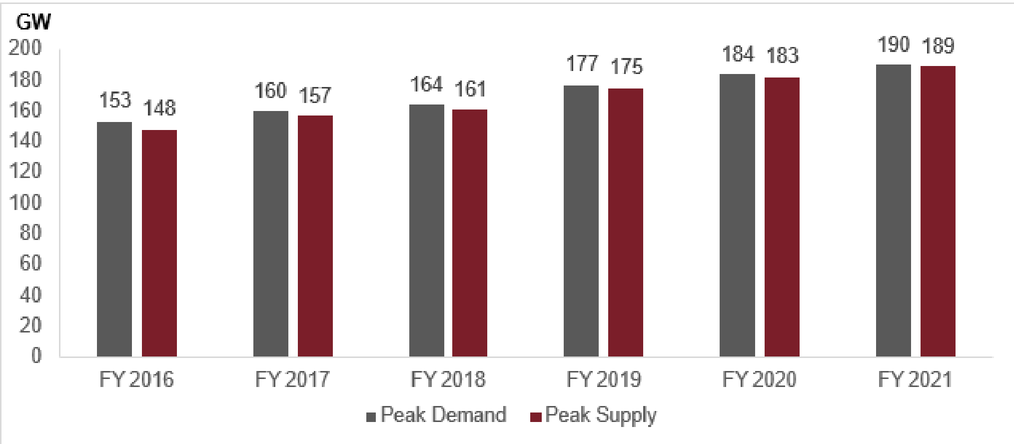
Trend in energy requirement



Source: CEA, CRISIL Research

Similarly, peak demand for energy increased at a CAGR of approximately 4.40% to 190 GW in Fiscal 2021 from 153 GW in Fiscal 2016, while peak supply clocked a CAGR of 4.99%. Consequently, peak shortage stood at approximately 1 GW in Fiscal 2021.

Snapshot of peak power demand and supply



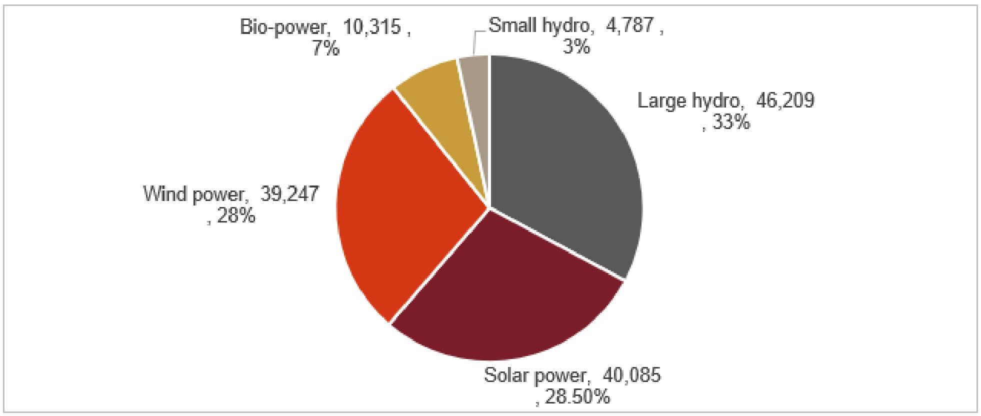
Source: CEA, CRISIL Research

Power demand is estimated to have increased at a CAGR of 2.5-3.0% between Fiscals 2016 and 2021, while conventional and renewable installed generation capacities are estimated to have clocked a CAGR of 2.0-2.5% and 15-16%, respectively.

Renewable Energy Capacity in India

Solar energy accounted for 28.50% of the renewable energy basket (including large hydro) as of March 2021. Growth in the solar power sector over the last seven years has been robust, with as much as approximately 36 GW capacity being added in the segment over Fiscal 2015-2021 at a CAGR of staggering 48.46%, although on a low base.

Renewable energy installed capacity (MW) as on March 2021



Source: CEA, CRISIL Research

Renewable energy capacity additions have seen strong growth over the past five years, increasing to approximately 140 GW in Fiscal 2021 from approximately 31.6 GW in Fiscal 2014. The inclusion of large hydro power stations under the purview of renewable energy has added another 46 GW to renewable energy generation.

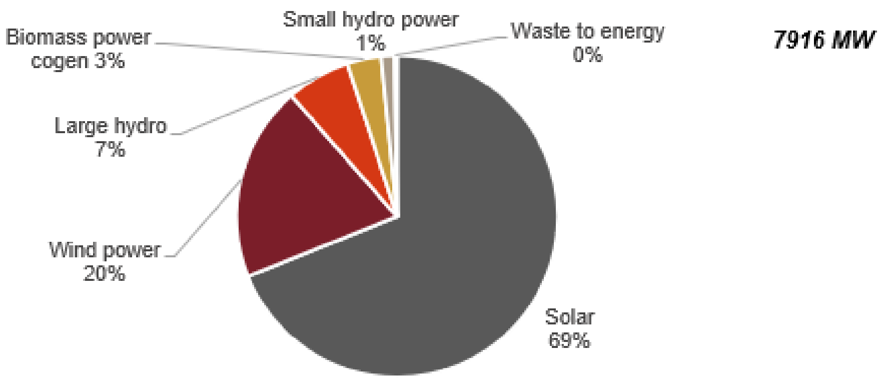
Ongoing capacity additions in the renewable sector

Solar capacity additions fell 15.35% to 5,458 MW in fiscal 2021 from 6,447 MW in Fiscal 2020, mainly due to continued localised restrictions, extension of timelines and a rise in solar module pricing stemming from shortage of upstream components. This was coupled with pandemic-led restrictions, which halted on-ground project execution due to labour unavailability and supply chain constraints in the first half of Fiscal 2021.

On the other hand, wind capacity additions slowed to approximately 25% on-year in Fiscal 2021, due to supply chain disruption and workforce unavailability amidst restrictions. With close to no capacity addition in April 2020, only 136 MW and 294 MW of wind capacity was added in the first two quarters of Fiscal 2021, respectively, compared with 742.5 MW and 562 MW added in the corresponding period of last year. Overall, approximately 1553 MW wind capacity was added in Fiscal 2021, as against approximately 2,068 MW added in Fiscal 2020. Thus, renewable capacity addition in Fiscal 2021 stood at 7,916 MW (including 510 MW of large hydro capacity addition), approximately 20% lower on-year.

In March 2019, the Government of India notified the inclusion of large hydropower in the renewable energy category, which resulted in the total installed capacity reaching 141 GW by end-Fiscal 2021.

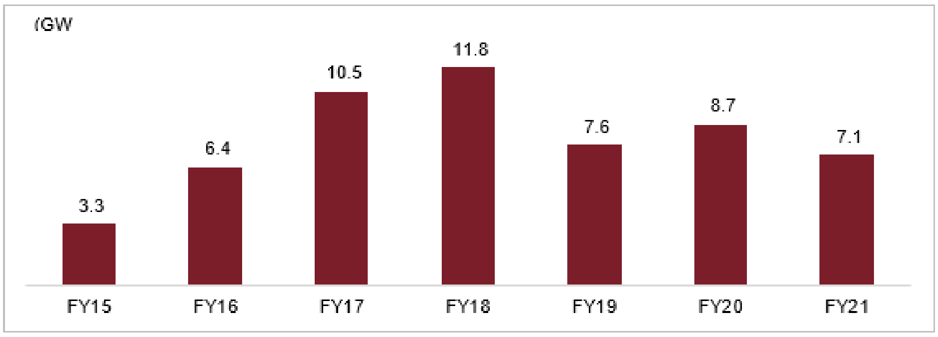
Solar dominated renewable capacity addition in % for Fiscal 2021



Source: CRISIL Research

In India, pandemic-led disruptions impacted capacity additions in the first half of Fiscal 2021, with recovery seen in the second half. Capacity addition slowed to approximately 25% year on year in Fiscal 2021. The MNRE has granted time extensions for RE projects that have their scheduled commissioning date on or after April 1, 2021. However, the actual quantum of the time extension is yet to be decided and will depend on pandemic-related developments in the country. In Fiscal 2021, the MNRE also provided an extension of five months, in addition to its initial blanket extension of lockdown plus 30 days, amidst the pandemic-related lockdown.

Capacity addition picked up in Fiscal 2020, but slowed down in Fiscal 2021, especially in wind and solar energy

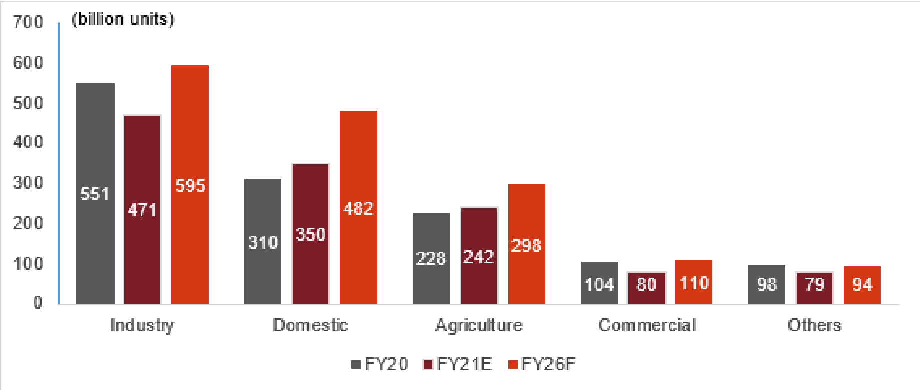


Source: CEA, CRISIL Research

Regions and sectors expected to drive demand

<u>*Sector-wise demand*</u>

Category-wise growth in electricity consumption (excluding captive consumption by industries)



Source: CRISIL research

Industrial demand – The nationwide lockdown imposed as a part of COVID-19 containment measures brought the shutters down on most industrial activities except those deemed to be essential, thereby pushing industrial demand down in the first quarter. Relaxations to most industrial sectors since June 2020 have allowed manufacturing facilities to restart conditionally, but issues such as supply chain disruption, labour shortage due to reverse migration of labourers, and additional burden of safety measures have hampered the resumption of activities. As the festive season led to a healthy revival in consumer sentiment in the third quarter, companies scrambled to meet rising demand by ramping up production. With the pent-up demand sustaining in most industrial sectors, utilisations have started nearing pre-COVID levels, leading to a recovery in industrial power demand in key industrialised states. As operational difficulties and financial stress get resolved with strong revival in economic activity, a healthy recovery in most sectors is likely to drive a rebound in industrial power consumption during the fiscal year. Thereafter, industrial demand is expected to stage a gradual recovery, in line with revival in economic growth, as relief measures from the AatmaNirbhar Bharat Abhiyan and economic reforms lend support to the industry.

Commercial demand – Commercial demand was likely the first to fall sharply in March 2020 and April 2020 as offices were closed and employees were asked to work from home, while commercial establishments were shuttered to ensure social distancing amid the pandemic. The progressive relaxations in subsequent lockdowns, however, were not applicable to most of the commercial segment. Corporate offices and educational institutions remained closed as activities shifted online, whereas large commercial retail spaces continued to bear the brunt of theatres, dine-in restaurants, and other entertainment spaces remaining closed. Further relaxations for commercial retail spaces coinciding with the festive season is likely to have had a positive impact on commercial power demand in the second half of Fiscal 2021 as most commercial establishments opened to cater to the uptick in consumer sentiment, further boosted by a fall in incremental COVID-19 cases in the nation. However, power demand from the commercial segment is likely to remain under pressure during the initial few months of Fiscal 2022 as corporates and educational institutions remain cautious about reopening their premises. Commercial activities such as retail, entertainment, travel, and hospitality, however, are crawling back to normalcy at varying levels across the country.

Commercial demand is likely to pick up in the second half of Fiscal 2022, hinging on the containment of the pandemic and roll-out of COVID-19 vaccines. In the long term, CRISIL Research expects demand from the commercial segment to improve on account of rising urbanisation, which, in turn, will lead to growth in commercial spaces including hospitals. However, in the aftermath of the pandemic, social activities are likely to see a mild shift towards the indoor environment, supported by workers working from home, online education, digital entertainment, and e-commerce, which could weigh on demand for commercial space.

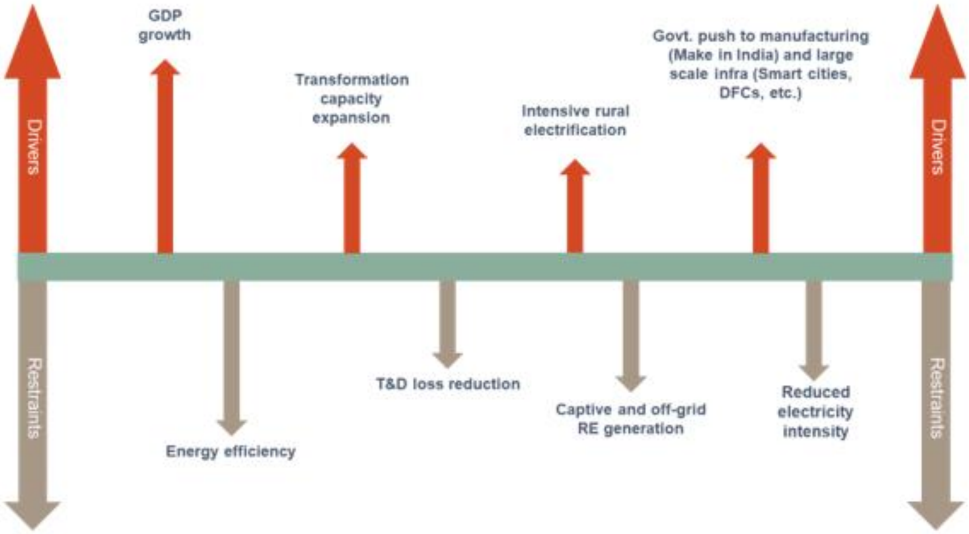
Domestic demand – Domestic consumption surged in the first quarter of Fiscal 2021 as most of the nation's population stayed indoors. Even with relaxations in restrictions on social movement in the second quarter, a significant share of the population continued to stay at home for safety and most large companies continued their work-from-home policy. As major corporate offices and educational institutions continued to operate online, a significant part of the population continued to stay indoors through the second half of the Fiscal, resulting in high domestic power consumption during Fiscal 2021. A considerable section of office-goers and students are likely to continue operating from their homes over Fiscal 2022, as a part of precautionary social-distancing measures. Consequently, domestic demand is expected to remain slightly elevated in Fiscal 2022. In the long run, power offtake by the domestic segment will be driven by rapid urbanisation in the country, tapping into high latent demand through improved quality of power supply, and government initiatives such as rural electrification and 24x7 Power for All. Rising disposable income will also support demand. At the same time, higher use of energy-efficient equipment and a rise in domestic tariffs could limit the increase in domestic consumption.

Agricultural demand – With agriculture being deemed an essential activity, demand for power rose to ensure agricultural activities were not interrupted. Power consumption by agricultural sector is likely to remain stable due to its essential status, ensuring that agricultural works continue unabated with the onset of the kharif season. Agricultural consumption is likely to have remained strong over the rabi season as well, as rural areas were less affected by the pandemic, resulting in healthy growth during Fiscal 2021. The agricultural demand for power is expected to remain stable in Fiscal 2022. Some of the migrant population is likely to stay put due to safety concerns and lack of employment opportunities in urban areas, resulting in higher power consumption in rural areas. Going forward, agricultural consumption of power demand will be driven by reduced power cuts, segregation of agricultural and non-agricultural feeders, solarisation of distribution feeders. However, agricultural feeder segregation and network strengthening in rural areas are expected to reduce losses, which are presently attributed to agricultural consumption.

Long-term drivers and constraints for demand growth

CRISIL Research estimates energy requirement to grow at a CAGR of 5-6% between Fiscals 2022 to 2026 on account of following factors:

Factors influencing power demand



Note: DFC: Dedicated freight corridor
Source: CRISIL Research

India's economy is expected to recover slowly post Fiscal 2021, with a gradual pick-up in industrial growth over the subsequent four years. Trickle-down effect of the AatmaNirbhar Bharat relief package, government spending on infrastructure through the National Infrastructure Pipeline, DFC infrastructure, service industry expansion, rapid urbanisation, and increased farm income from agri-related reforms are key macroeconomic factors which will aid the pick-up in growth.

Snapshot of infrastructure development projects

Source: CRISIL Research

Various government initiatives such as 'Make in India', Smart Cities Mission, DFC, metro rail projects, railway track electrification, etc, are expected to boost infrastructural development in the country, albeit in the medium-to-long term.

Thus, power demand growth would be fuelled by the gradual improvement in economic output and consequently higher demand from key infrastructure and manufacturing sectors as well as last-mile connectivity achieved through strong implementation of the rural electrification programme. However, increasing energy efficiency, reduction in technical losses over the longer term, and captive as well as off-grid generation from renewables would restrict growth in power demand.

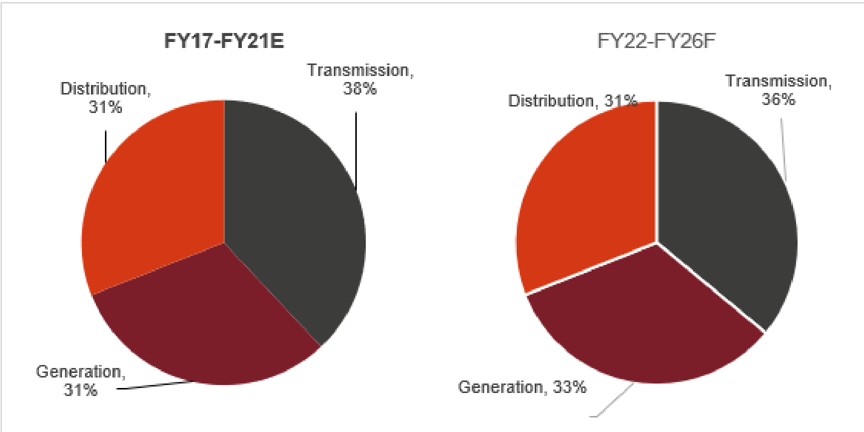
T&D network augmentation to support demand growth

With the government's focus on alleviating congestion, transmission capacities are expected to witness robust growth. About 330-350 gigavolt ampere ("**GVAM**") transformation capacity (above 220 kV level) is expected to be added between Fiscals 2021 to 2025 to reach the cumulative transformation capacity of 1,300-1,350 GVAM by Fiscal 2025. In particular, CRISIL expects robust growth in high voltage ("**HV**") lines of 400 kV and 765 kV due to its importance in interstate transmission lines on account of the government targets of inter-regional transmission capacity expansion to 145 GW by Fiscal 2024 from 102 GW in March 2020, and ultra-high-capacity green energy corridors with expected investments worth ₹430 billion.

Thus, the expected improvement in T&D infrastructure coupled with agricultural feeder separation and extensive rural electrification under the DDUGJY will drive power demand upwards over the next five years.

Investments in the power sector

Share of investments across the power sector value chain



Note: E: estimates, F: forecast
Source: CRISIL Research

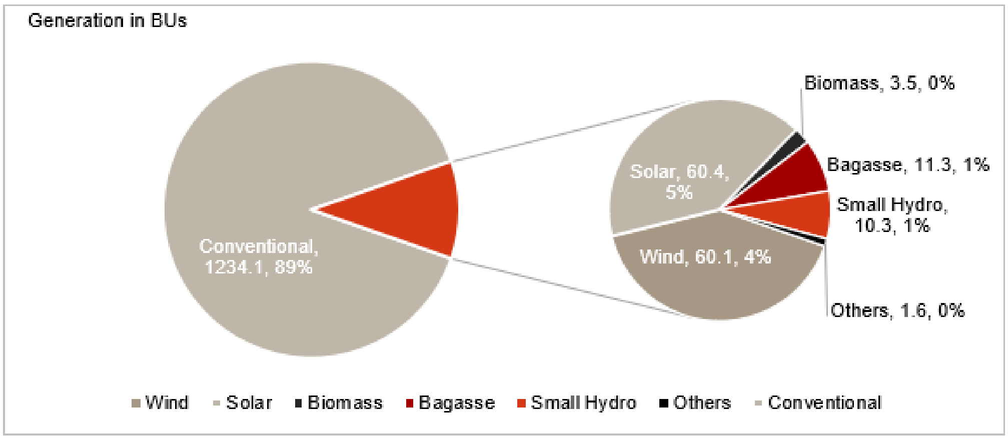
Investments in the generation segment are expected to remain stable in the 32% to 34% range despite lower capacity additions, majorly due to higher nuclear capacities that are likely to be commissioned over the next five years, which are costlier on a per MW basis. Investments in distribution are likely to be subdued in the short to medium term because of the ongoing financial stress among state utilities.

Overview of RE Sector in India

Renewable sources are a cleaner source of energy than conventional ones as they do not burn like fossil fuels, preventing the release of pollutants into the air. Increasing use of renewable energy would help reduce carbon emissions, and thereby, global warming. Further, the wide availability of these resources makes them less susceptible to depletion unlike conventional sources of energy. While there are multiple renewable sources that can be utilised, including solar, wind, small hydro, biomass and bagasse, solar and wind remain key sources.

Renewable energy installations have more than tripled to approximately 94.4 GW as of March 2021, as compared with 25 GW as of March 2012, led by various central and state-level incentives. As of March 2021, installed grid connected renewable energy generation capacity in India constituted approximately 25% of the total installed generation base in India. In particular, this growth has been led by solar power, which has grown to approximately 40 GW from approximately 0.09 GW over the discussed time period.

India's renewable energy penetration was approximately 11% at end-Fiscal 2021



Note: Latest available generation data from renewable sources available till March-21
Source: MNRE; CEA, CRISIL Research

Despite such strong capacity addition, there is huge potential for RE installations in India, as is evident from the table below.

Potential and cumulative capacity of RE (technology-wise)

Technology	Potential	Cumulative capacity (as of March 2021)	Untapped potential
Wind	302 GW (100 m hub height)	39.25 GW	262.75 GW
Solar ground-mounted	750 GW	35.65 GW	714.35 GW
Bio-energy	25 GW	10.15 GW	14.85 GW
Small hydro	20 GW	4.79 GW	15.21 GW
Waste to energy	NA	0.17 GW	NA

Source: MNRE; NITI Aayog; CRISIL Research

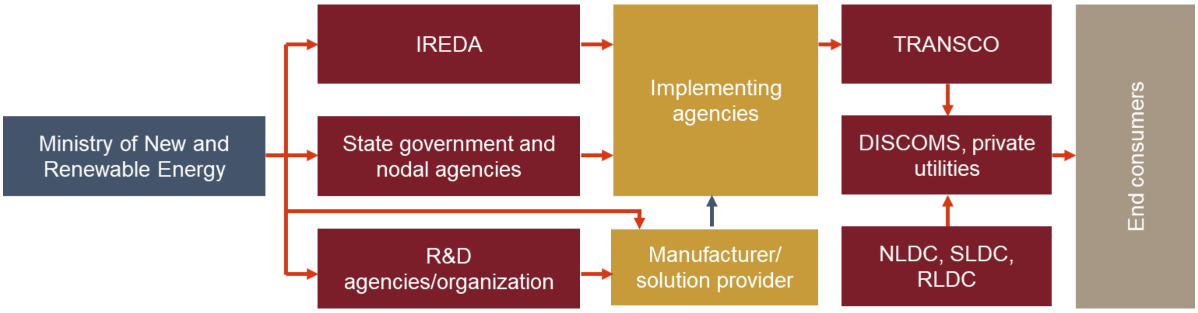
However, solar energy potential is the greatest in India amongst all the commercially available renewable energy sources. Per the NISE and MNRE, the top five states with the highest solar PV potential are Rajasthan, Jammu & Kashmir, Maharashtra, Madhya Pradesh and Andhra Pradesh. Further, there is huge untapped potential across the states for solar energy:

State-wise estimated potential v/s percentage achievement of potential for solar energy across major states of India (as of July 2021)

States	Potential (GW)	Installed capacity (GW)	Potential achieved (%)
Andhra Pradesh	38	4.3	11.32%
Gujarat	36	5.2	14.44%
Karnataka	25	7.5	30.00%
Madhya Pradesh	62	2.6	4.19%
Maharashtra	64	2.4	3.75%
Punjab	3	1	33.33%
Rajasthan	142	6.9	4.86%
Tamil Nadu	18	4.6	25.56%
Telangana	20	4	20.00%
Uttar Pradesh	23	2	8.70%

Source: MNRE; NISE; CRISIL Research

Key stakeholders in the renewable sector in India



Source: CRISIL Research

In the section below, CRISIL has elaborated on the evolution of the regulatory framework and key provisions in the major reforms undertaken.

Timeline of regulatory changes

1982	Creation of Ministry of New and Renewable Energy (MNRE)	A new department, Department of Non-Conventional Energy Sources was created in the Ministry of Energy, subsuming the earlier Commission. First policy for RE sector issued in 1995.
1994	Introdcution of Accelerated Depreciation for RE projects	The AD benefit was first introduced with a benefit of 100 per cent eligible depreciation rate in 1994, but subsequently this rate was lowered to 80 per cent in 2002; Income Tax Act 1961, allowed an additional depreciation of 20 per cent on cost of asset in the first year of infrastructure projects
2003	National Electricity Act, 2003	Created provision to promote generation from non-conventional sources and setting a minimum purchase obligation as prescribed by regulatory commissions from renewable; open access provisions; establishing framework for trading of energy etc.
2005 & 2006	National Energy Policy, 2005 and National Tariff Policy, 2006	Energy policy re-emphasized many of the provisions of the electricity act, including promotion of non-conventional energy sources, the tariff policy talked about the approaches to tariff determination, return on investments and equity norms for project developers
2009	National Action Policy for Climate Change, 2009	The NAPCC was first released by the Prime Minister's Advisory Council on Climate Change in June 2008. This included several missions to achieve the national strategy on climate change as mapped out by the policy. A few of the key missions outlined by the policy are: National Solar Mission
2010	Introduction of Generation based incentives (GBI)	In order to support capacity additions by large independent power producers GBI was introduced. GBI in 2016 was available at Rs 0.50 per unit of power fed into the grid subject to the ceiling of Rs 1 crore per MW for wind projects not availing of the AD benefit.
2011-2017	Other key Support areas	Revision of targets under national solar misison to 100 GW by FY 2022. Creation of standard bidding guidelines for competitive bidding (Wind + Solar).National Tariff policy 2016, revised solar RPO targets to 8% by FY 2022.Interstate transmission charges waived off.
2019	Renewable Hybrid Policy	Framework developed for promotion of large grid connected wind-solar PV hybrid system for optimal and efficient utilization of transmission infrastructure and land, reducing the variability in renewable power generation and achieving better grid stability.

Source: Policy documents; CRISIL Research

In 2014, the government set a target to achieve 175 GW of renewable energy in India – 100 GW of solar energy by December 2022, 60 GW of wind energy by December 2022 and 15 GW via other sources, including small hydro and biomass projects, and other renewable technologies, by December 2022. Further, under the Paris Agreement, the Indian government has committed to generating 40% of electricity from non-fossil fuels sources by 2030. The country also has a target of setting up 450 GW of RE by 2030 and providing 17 lakh solar pumps to farmers under the Pradhan Mantri-Kusum Yojana.

Renewable Power versus Conventional Power Sources Comparison

Power generation in India typically takes place via various technologies, which includes conventional fossil fuels, large hydro power plants, nuclear power and renewable energy sources. In the below table, CRISIL has highlighted the key advantages and disadvantages across fuels showing how solar power is favourable on most counts. The comparison across various power generation technologies depicts solar as one of the most favourable technology.

Key comparison parameters

Parameter **Type of power generation**	**Input/fuel risk**	**Technology risk**	**O&M cost (₹ lakhs / MW)**	**Resource risk/ potential in India (GW)**	**Environmental risk**	**Levelised tariff (₹ / KWh)**
Coal-based power plant	Domestic coal availability has been an issue historically There are logistical hurdles for coal supply Low calorific value of domestic coal	Minimal risks due to matured technology	19.24*	CEA estimates no potential additions over Fiscals 2018-2022	Pollutants such as SO_2, NOx, CO_2 released in the atmosphere due to combustion	Domestic coal: 3.78 Imported coal: 4.23
Bio-mass power	Biomass pellets Continuous availability of clean biomass fuel	Relatively new and untested technology providers in the segment lead to higher fault	46.42	26 GW (18 GW from bio-mass and 8 GW from bagasse)	May lead to generation of hazardous waste, difficult to dispose of	6.03 – 8.90 (depending on type of condenser and boiler used)
Wind power	Wind availability; availability of wind not consistent across the 20-year life cycle of the plant	High winds damage the blades; in-transit damage to the machines	9-11	302 GW	Division of cultivable land into smaller parts decreasing usability	6.61 (Capacity Utilization Factor ("**CUF**") 20%) 6.01 (CUF 22%) 5.29 (CUF 25%) 4.40 (CUF30%) 4.13 (CUF 32%) 2.67-2.81 for Fiscals 2019-2020 (based on competitive bidding)
Hydro power	Availability of water during drought impacts power generation and irrigation	High silt in the monsoon damages the turbines	14-25	21 GW (small hydro potential)	Often situated in sensitive eco-systems near water bodies such as rivers, waterfalls, etc. Artificial damming causes loss of river bio-diversity	4.72-5.74 (depending on the state the project is situated in and its capacity)

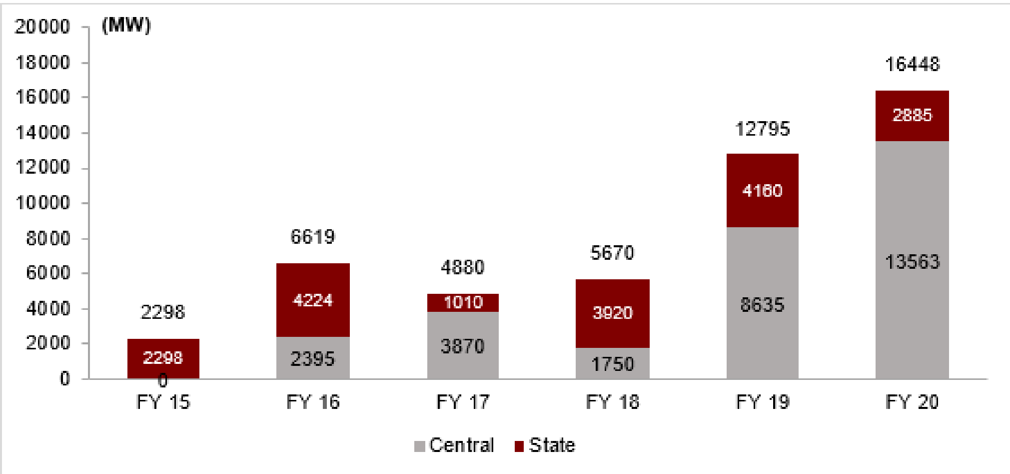
Parameter Type of power generation	Input/fuel risk	Technology risk	O&M cost (₹ lakhs / MW)	Resource risk/ potential in India (GW)	Environmental risk	Levelised tariff (₹ / KWh)
Solar PV power	Limited variation in annual irradiation level. About 55% of annual generation spread across six months. However, rising temperature can adversely impact generation	Not all the modules are of the same output. Issues in modules connected in series impact generation of the entire string	3-7	749	PV manufacturing involves usage of hazardous chemicals Minor environmental impact over lifetime of PV power plant	1.99-4.15 (However, based on the recent competitive bidding 2.00-2.97 (March 2020 to July-2021))

*Note: *averaged O&M cost for 600 MW series and 800 MW series of Coal based and lignite fired generating station*
Source: CERC benchmark tariffs; CRISIL Research

Evolution of solar power in India

The growth story of the solar sector in India commenced with the commissioning and operation of 15 MW of solar PV pilot projects between 2008 and 2009. Later, with the introduction of the NTPC Vidyut Vyapar Nigam Limited ("**NVVN**") scheme under the NSM (which allowed bundling of solar power with cheaper thermal power), solar capacity allocations have picked up pace.

Solar capacities (MW) allocated/tendered over Fiscal 2015 - Fiscal 2020 under central and state government schemes



Note: The chart represents Fiscal year (April-March). Central schemes include allocations/tendered by NVVN, NTPC and SECI, while state schemes include allocations by state discoms. Allocation under REWA is included under state allocation. Central rooftop (SECI) allocations have been excluded
**Includes re-issued tender*
Source: CRISIL Research

By March 2012, India had reached close to 1 GW of installed capacity, with projects providing satisfactory generation performance along with timely receipt of payments from both NVVN and discoms of Gujarat. The bidding guidelines became stringent to avoid commissioning defaults by successfully bid projects and to ensure the entry of only serious players. Further, the MNRE created a new agency, SECI, to handle the solar biddings and channelise the subsidy and incentives to developers. Consequently, between March 2012 and March 2016, the central government released several schemes, such as NSM Phase II Batch II Tranche I (3 GW), Batch III (3 GW), Batch IV (5 GW), Batch V (1 GW), Batch VI (50 MW), over and above other schemes for defence organisations, canal-top plants and 1.5 GW under-rooftop solar plants. Further, many states such as Madhya

Pradesh, Andhra Pradesh, Telangana, Karnataka, Maharashtra and Tamil Nadu have introduced their solar policy and respective targets, and have also allocated 7 GW of solar capacity during this period.

After witnessing a continuous decline in solar tariffs over the years and a revision of solar targets under the NSM (from 20 GW till Fiscal 2022 to 100 GW in Fiscal 2022), the government is focusing on improving the supporting infrastructure for solar projects, including the construction of solar parks and green energy corridors. Further, allocations under central government schemes have risen to meet the solar power demand from state discoms willing to meet their RPO targets; the National Tariff Policy has revised the solar RPO target to 10.5% by Fiscal 2022. Such large allocations have resulted in the growth of solar independent power producers ("**IPPs**") in India. Further, lower counterparty risk, lower offtake risk (because of solar park transmission infrastructure) and a multi-layer payment security mechanism attracted more IPPs with access to cheaper funds.

Rooftop solar

As per the government target of 100 GW of solar energy by December 2022, 40 GW is proposed to be added under rooftop-based solar systems. However, till March 2021, only approximately 7 GW of rooftop capacity is estimated as installed, with approximately 2-2.3 GW estimated to have been added in Fiscal 2021 as against approximately 2.5 to 3 GW of ground-mounted solar projects in the Fiscal year.

Nevertheless, rooftop capacity addition picked up speed with approximately 2 GW added in the Fiscal 2021. The highest-ever capacity addition in a year was due to Gujarat's Surya Urja Rooftop Yojana targeting installations for 8 lakh consumers by March 2022. The scheme also provides 40% and 20% state subsidy for installations up to 3 KW and 3-10 KW, respectively. Additionally, an MSME policy released in September 2019 by the Gujarat government allows installation of solar projects with more than 100% of sanctioned load or contract demand. Under the scheme, MSMEs can sell excess power to state government at ₹1.75 per unit, leading to increased installations.

Though MNRE has entrusted Solar Energy Corporation of India (SECI) with implementation of large-scale, grid-connected rooftop PV projects, with subsidy support from National Clean Energy Fund (NCEF) funds, release of subsidy has been delayed by more than six months. Nevertheless, rooftop solar projects have attracted interest from players in the entire solar value chain ranging from module manufactures and IPPs owing to falling costs and favourable regulatory policies in a few states (net metering, exemption on electricity duty, wheeling and cross-subsidy charges). With greater policy support and implementation thrust, the level of achievement is expected to improve going forward.

Rooftop solar schemes are seeing three business models in operation

There are broadly three business models relating to operation of rooftop solar projects in India: capex, renewable energy service companies (RESCO) and micro utility. Under the capex mode of operation, the solar rooftop project is set up on the roof of the developer itself and the project developer claims the available incentives such as accelerated depreciation and capital subsidy available for certain category of consumers. However, the cost of the PV system has to be paid upfront. Financing is the key in the setting up of such large solar rooftop projects. Further, consumers can avail of 30% capital subsidy (100 KWp – 500 KWp systems for residential consumers, government buildings, etc.) only post commissioning or demonstration of success of project to MNRE, resulting in a front-loaded cost structure.

Under RESCO, suitable rooftop is made available by rooftop owners to interested third-party renewable companies for setting up solar PV projects. Rooftop owners derive revenue from lease rentals and/or cheaper power from solar PV projects, while the service company can sign contracts with buyers and sell solar power generated from the project. This mode of operation is currently successful for organisations where the lending institution has surety for long-term roof availability.

The micro utility model is a sort of gross metering model under which the developer may/may not wheel the electric power through the grid but instead agglomerate the small capacities across multiple roofs in a housing society or industrial/commercial complexes and supply power to the consumers. This model helps in reducing the transaction costs as it gets spread over a wide range of capacity and is beneficial for consumers paying higher tariffs to discoms or in the case of intermittent supply of power from discoms.

Further, under the capex and RESCO modes of operation, the developer has the choice of supplying power to discoms under either gross or net metering mode. Under the former, the developer signs a PPA with discoms to sell the entire electricity produced from the plant at a pre-determined rate or at the average cost of supply for the state. Further, the mechanism does not require any alteration in the consumer's existing system as electricity generated from the plant is directly fed into the grid and consumers get power supply from an existing connection.

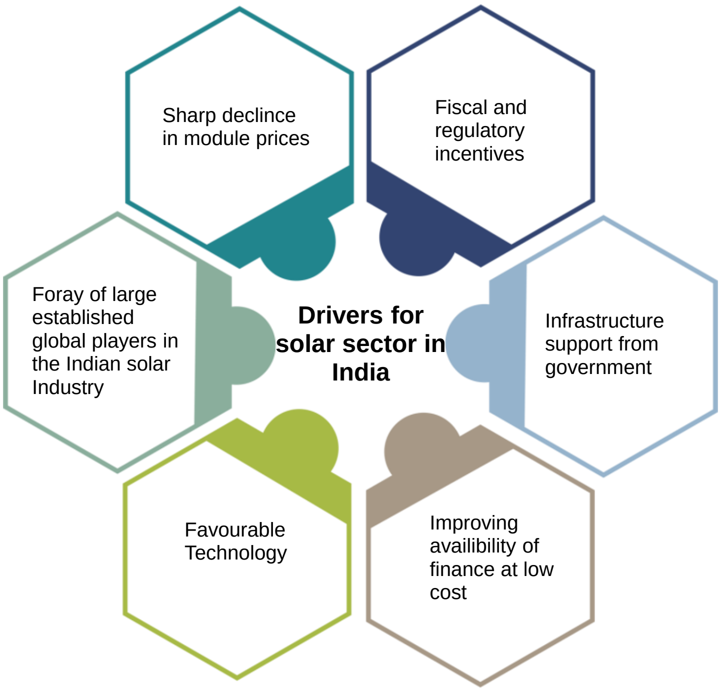
On the other hand, under the net metering mode, the consumer can utilise solar power generated from the system to meet internal load demand and also supply excess electricity to the grid. In such systems, the energy meter is replaced by bi-directional meters so as to measure the net import and export of electricity. Discoms use this to compute the net import/export of power and adjust bill charges of consumers accordingly. Further, for excess units supplied to the grid (If net export > net import), consumers may be given feed-in tariffs/ average power purchase cost ("**APPC**") price/any other fixed price/unit for each excess unit supplied. This model can be further classified into virtual and group net metering.

Key features of the virtual net metering model:
- Capex provided by single consumer or several consumers jointly
- Power generated at the solar power plant injected into the distribution grid
- The power so supplied is set-off against the consumer bills generated by utility at month end
- Power supplied distributed among consumers based on the proportion of capital/equity invested by them
- Single consumer may also opt for it in case suitable location not available in his/her vicinity
- Group of consumers may collectively invest in a system on a common premise nearby

Key features of the group net metering model:
- Capital expenditure provided by consumer on Premise A
- Either rooftop owner consumes the energy or it is sold to discoms under net metering
- Excess power is set off against bill for other properties (such as Premise B or C) which are located in the same discom jurisdiction as Premise A
- Can be utilised by customers which own more than one connection with the same discom and have the capacity and space for a solar system in one location but not in other premises
- Capacity in Premise A produces power > consumption capacity of A

Growth drivers for solar sector in India

Growth drivers for solar sector in India

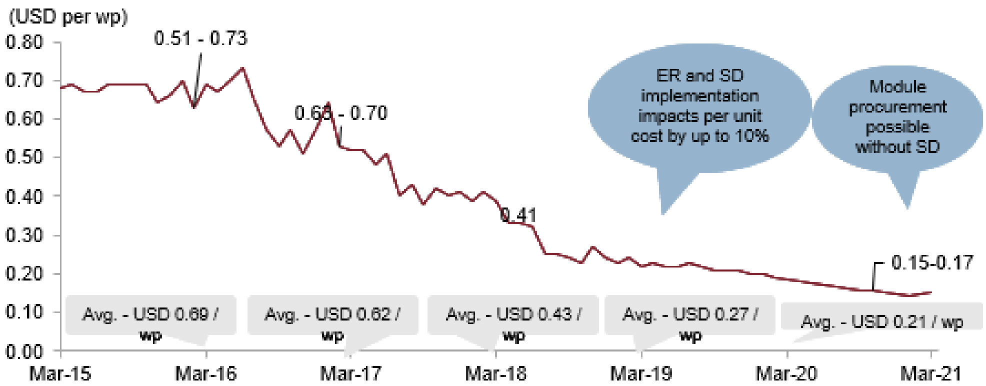


Source: CRISIL Research
Each growth factor for solar energy in India is detailed below.

Declining module prices and tariffs

Global average solar module price declined 73% to US$ 0.47/watt in 2016 from US$ 1.78/watt in 2010, and continued to decline to US$ 0.22/watt until August 2019, owing to the wide demand-supply gap in the global solar module manufacturing industry. Innovation in manufacturing processes has reduced cost, putting downward pressure on module prices. Further, declining inverter prices also reduce system costs. Module prices reached US$ 0.22 per watt peak (wp) in Fiscal 2021.

Module prices declined over 86% from Fiscal 2010 to Fiscal 2021



Source: Industry, CRISIL Research

Safeguard Duty Trajectory

Year of imposition	July 30, 2018 to July 29, 2019	July 30, 2019 to January 29, 2020	January 30, 2020 to July 29, 2020	July 30, 2020 to January 29, 2021	January 30, 2021 to July 29, 2021
Duty rate	25.0%	20.0%	15.0%	14.9%	14.5%

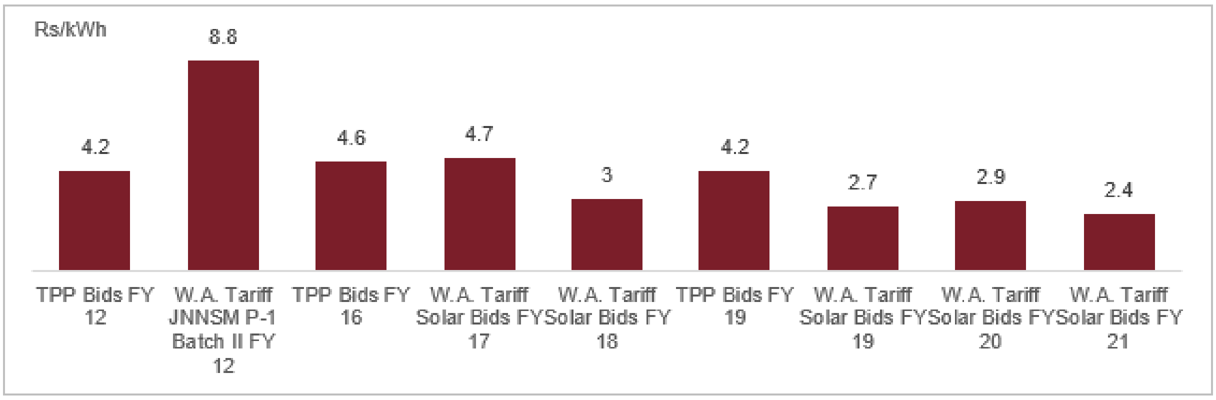
Demand for solar cells and modules fell in China in June 2018. Consequently, the global average module prices crashed to US$ 0.19/watt in March 2020. The duty rate of 15% favoured domestic modules, but the effect was offset by a drop in module prices. Though safeguard duty ("**SGD**") had been extended till July 2021, the impact of lower duty rate has been offset by lower module prices. Hence, lower duty rate is not a deterrent to solar imports.

Multi-crystalline module prices dropped to US$ 0.18/wp in March 2021.#. However, the recent increase in poly-silicon prices by approximately 80-85% due to capacity shortage and a surge in downstream demand has led to an increase in multi-crystalline module prices to US$ 0.22/wp. The global demand is expected to increase due to healthy additions from the Middle East and Africa. However, the robust capacity expansion plans announced by key players such as Jinko Solar, JA Solar and GCL-Poly will put downward pressure on module prices. That said, polysilicon prices have stabilised since mid-June. CRISIL expects module prices to stabilise by the end of 2020. Moderation is expected only after 2021/first half of 2022, when affected poly-silicon capacities come back online, coupled with planned greenfield capacities. Multi- and mono-crystalline module prices are expected to increase by the end of Fiscal 2022.

Solar power tariffs have been lower than coal-based power tariffs

With the decline in the prices of solar modules, tariffs of solar power have fallen. In fact, solar power has scored over coal-based power in terms of competitiveness of tariffs. Further the weighted average tariffs for bids conducted in Fiscal 2019 were awarded at ₹2.7/unit while in Fiscal 2020 weighted average tariff increased to ₹3.2/unit on the account of tariff for wind-solar storage capacity allocations with awarded tariff above ₹6/kWh. Further in Fiscal 2021, the lowest bid tariff reached to ₹2/kWh. With declining solar PV module prices, improvement in solar PV technology and increasing coal prices, price advantage of solar over coal is expected to widen further. This will drive demand for renewable energy. However, going forward, in case of solar tariffs, one must factor in grid integration costs as penetration of renewable energy increases. This is expected to increase the procurement cost of solar power plants in future to some extent.

Competitively bid solar power tariffs are much lower than coal-based power tariffs (₹/unit)



TPP: Thermal power plant; JNNSM: Jawaharlal Nehru National Solar Mission; W.A.: Weighted average levelised tariffs
Source: Details of Case I bids, Bidding of power from stressed assets, CEA, CRISIL Research

Strong government push

The government has laid significant emphasis on climate change. It launched the National Action Plan on Climate Change ("**NAPCC**") in 2008, which includes an eight-pronged strategy – NSM, National Mission for Enhanced Energy Efficiency, National Mission on Sustainable Habitat, National Water Mission, National Mission for Sustaining the Himalayan Ecosystem, National Mission for a Green India, National Mission for Sustainable Agriculture, and National Mission on Strategic Knowledge for Climate Change. The government has laid considerable emphasis on solar power in particular – its target to install 175 GW of renewable energy capacity by December 2022 includes 100 GW from solar.

Introduction of NSM

In line with NAPCC, the government launched NSM in Fiscal 2010, under which it has undertaken several initiatives to promote low-cost solar power in the country. Some of the key initiatives taken under NSM are as follows:

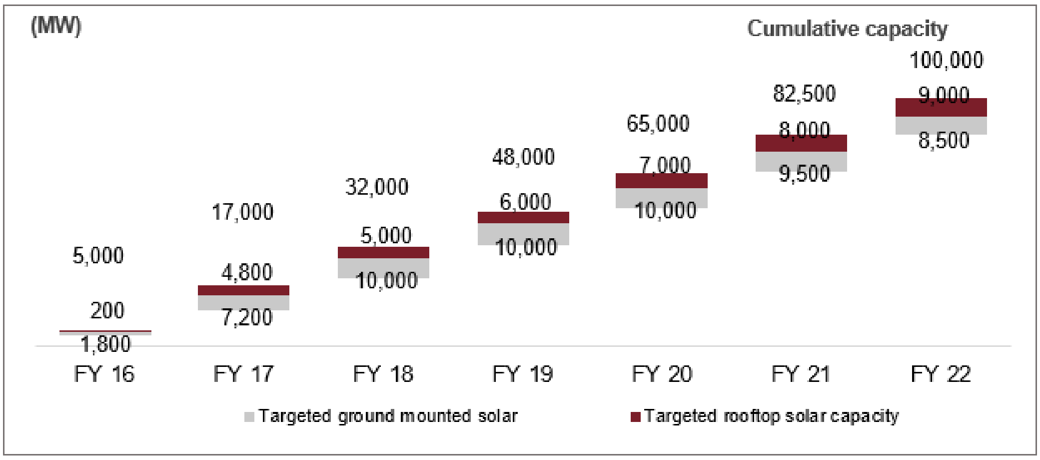
- The government has appointed NTPC Vidyut Vyapar Nigam Limited (NVVN, the trading arm of NTPC) to buy competitively bid solar power and bundle it with cheaper thermal power to sell it to discoms to reduce the average power purchase cost of solar power.

- NTPC has committed to adding 10 GW of solar power by Fiscal 2022.

- The government is incentivising central public sector undertakings ("**CPSUs**") to install solar power under the VGF mechanism. Under batch V of NSM, it has already allocated approximately 1 GW. Further, the government has mandated large public sector institutions such as India Railways, defence establishments, Airports Authority of India and metro corporations to substitute part of their power consumption with solar power.

- The government has also incorporated a separate entity, Solar Energy Corporation of India (SECI), to promote solar projects in India. It conducts the bidding procedure and also undertakes the distribution of funds allocated from the Centre to developers. SECI also buys solar power from developers and sells it to bulk consumers under the tripartite agreement, and charges trading margins (approximately ₹0.07/unit) to the buyer of power.

Break-up of solar capacity addition targets under NSM



Source: MNRE, CRISIL Research

Operational support to execute solar projects

Apart from providing incentives, the government has lent significant support to the solar power sector for execution of projects. One of the most notable initiatives by the government has been setting up of solar parks in the country. This is critical given the land-intensive nature of solar projects and low average holding per person in India. Under the Solar Park Policy released in September 2014, the government planned to prepare land banks for 20,000 MW of solar projects spread across 25 states. Further, the capacity of the scheme was doubled from 20,000 MW to 40,000 MW on March 21, 2017, to set up at least 50 solar parks by Fiscal 2022. Such parks reduce construction/execution risks significantly, as they include a contiguous parcel of land, evacuation infrastructure and other ancillary infrastructure and utilities such as road, water and drainage.

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Solar and wind energy generation in India

Parameters	Solar based power generation	Wind based generation
Potential In India	● As per MNRE solar potential in india is ~746 GW	◕ As per MNRE wind potential in india is ~302 GW
Resource Risk	● Similar annual irradiation over project lifetime	◕ Wind density cyclic and Seasonal
Levelised cost of energy	● ~Rs. 2.45 - 4.15/unit in FY 2020 (based on competitive bidding)	◑ Rs.4.13/unit (CUF 32%); 2.7-2.8 for fiscals 2019-2020 (based on competitive bidding)
Scalability	● Modular and scaleable; can be used on rooftop	◑ Need specific sites, based on wind assessment
Improvement in Technology	● Improvement in efficiency, declining costs, trackers etc	◕ Higher hub height, LVRT based wind turbines
Government Incentives (Land+Transmission)	● Government provides land and transmisison under solar park; Green energy corridors	◕ Green energy corridors; Developer has to find suitable land
Receivables	● Faster clearance of payments under NVVN/SECI Scheme (2-3 months)	◑ Weaker discoms delays the payments (5-6 months); Payment for competitively bids projects to be on time
Operational Risk	● Limited O&M requirements	◕ Substantial periodic maintenance needs
Future Growth Potential	● Governments to scale up capacity to 100 GW by FY 2022 from ~12 GW in FY 2017	● Governments to scale up capacity to 60 GW by FY 2022 from ~32 GW in FY 2017
Competitive Environment	◑ Highely competitive given multiple private players	◑ High competitive given multiple players
Summary	●	◕

● Most Favourable ◕ Favourable ◑ Marginally Favourable

Source: CRISIL Research

Electric vehicles and charging infrastructure

Electric vehicles to support demand growth, but over the longer term

The GoI is focusing on building charging infrastructure and creating a conducive policy environment for faster adoption of electric vehicles so as to reduce dependence on fossil fuels for transportation. India aims to increase the share of electric vehicles to 30% by 2030. Under the National Electric Mobility Mission plan, the government envisages to promote electric vehicle adoption through demand-side incentives in terms of subsidies, promoting charging infrastructure and encouraging research and development in related industries.

The electric vehicles market is forecasted to face strong headwinds in Fiscal 2021, as buyers are expected to cut down on big-ticket purchases like EVs, which are typically more expensive than conventional vehicles. Sales could revive from Fiscal 2022 onwards as the economy picks up, with government incentives such as Faster Adoption and Manufacturing of Hybrid and Electric Vehicles ("**FAME**")-II worth ₹100 billion providing support. CRISIL Research estimates that the adoption of electric vehicles will boost power demand by 3-4 billion units annually on an average during Fiscals 2022 to 2026.

This has to be supported by expansion of charging infrastructure across major cities, parallel growth in distribution infrastructure and an appropriate tariff structure for charging of electric vehicles. In fact, in the Union Budget 2019-20, the government has announced ₹10 billion in subsidies for building a nationwide electric vehicle charging infrastructure as a part of the FAME-II scheme. Charging stations will be installed on major highways such as Delhi-Mumbai, Delhi-Chandigarh, Mumbai-Surat-Pune, etc. with plans to having a charging station every 25 km on these highways. However, the current pandemic situation and the gradual recovery post Fiscal 2021 are likely to lead to support from electric vehicle-led power demand only over the longer term.

Charging Infrastructure

India's transport sector accounts for one-third of the total crude oil consumption of the country, with 80% being consumed by road transportation alone. The National Electric Mobility Mission Plan 2020 (NEMPP) of the Indian government seeks to enhance national energy security and mitigate the adverse environmental impact from road transport vehicles by getting at least six million electric vehicles (EVs) on Indian roads by 2020. Under the FAME India scheme, the government offers various purchase incentives to promote the adoption of EVs in the country.

Indian Railways

Indian Railways launched the National Rail Plan, Vision 2024, to accelerate implementation of critical projects such as multitracking of congested routes; achieving 100% electrification; upgrading the speed to 160 kmph on the Delhi-Howrah and Delhi-Mumbai routes; upgrading the speed to 130 kmph on all other golden quadrilateral-golden diagonal routes and eliminating all level crossings on the golden quadrilateral-golden diagonal route by 2024. Indian Railways plans to run on 100% electricity by 2024 and become a net-zero emission network by 2030. Railway Energy Management Company Limited is assisting Indian Railways for management of its tenders and power purchase agreements. Railway Energy Management Company Limited has invited bids for 3GW solar projects on vacant land as well as along the rail tracks.

Military Engineer Services

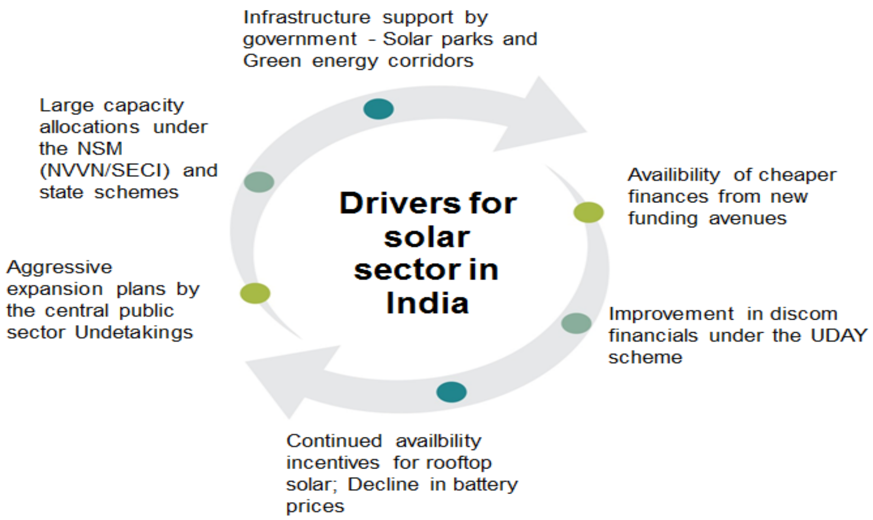
Military Engineer Services ("**MES**") is responsible for the technical management of the electric supply system under its charge. Electricity is obtained by the MES in bulk from the state discoms to be supplied to military installations or cantonment areas. In 2015, the Ministry of New and Renewable Energy ("**MNRE**") has approved a scheme for setting up over 300 MW of grid-connected solar Photovoltaic ("**PV**") power projects by defence establishments under the Ministry of Defence and paramilitary forces with a viability gap funding under Phase-II/III of National Solar Mission ("**NSM**").

Broad guidelines of the scheme:

- Minimum size of the project shall be 1 MW
- Mandatory use of solar cells and modules made in India
- Project implementation schedule is 5 years

- Defence establishments will be free to own the power projects i.e. get EPC contractor to build the project for them or get a developer who makes the investment and supplies power at a fixed tariff of ₹5.50 per unit for 25 years
- Now solar tariff is reduced from ₹5.50 per unit to ₹4.50 per unit
- Solar project developers will be provided VGF based on the competitive bid
- Previously, upper limit of VGF was ₹2.5 crore/MW. Now VGF limit is revised to ₹1.1 crore/MW.

In-principle approval of 241 MW has been given to different defence organisations. Out of this, 139 MW is already commissioned, and balance capacities are under implementation stage.

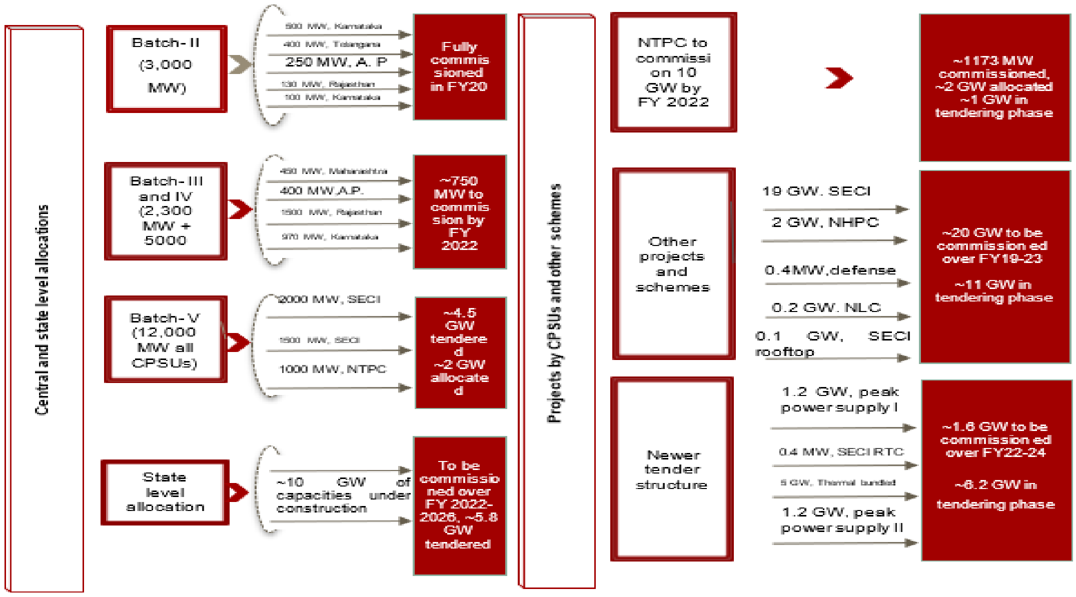


Source; CRISIL Research

Large capacity allocations under central and state schemes

In line with the national target of installing 175 GW by December 2022, large-scale central allocations are planned under the NSM. CRISIL believes that offtake and payment security under central allocations will be key drivers for additions under this scheme. Strategies to reduce tariffs through bundling with thermal power by NVVN and viability gap funding ('VGF') will support additions. NVVN, through its bundling scheme (two units of solar bundled with one unit of thermal power), is expected to allocate approximately 12 GW under Tranche II and III of the NSM. SECI has also planned to set up 12 GW of projects over Fiscals 2020 to 2023 under the VGF scheme, expected to boost capacity additions.

Central and state level allocations



Source: CRISIL Research

The following policies are likely to drive capacity additions:

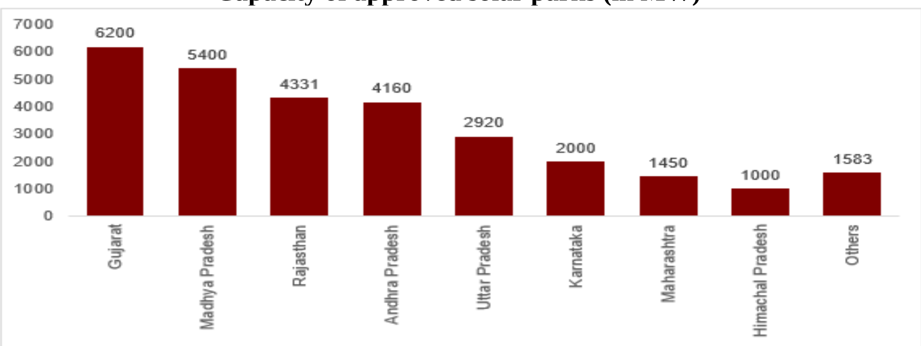
- Central-level allocations under NVVN Batch II, NSM Phase II Batch III and IV, almost entirely commissioned
- SECI has started tendering projects outside the NSM Batch programmes. It has initiated the Inter-State Transmission System (ISTS) scheme, Under this, SECI has already allocated 14 GW (including hybrid) and has another approximately 5 GW in tendering phase. It has also tendered close to 8 GW and allocated around 5 GW under other schemes till July 2021
- Under the state schemes, approximately 10 GW is under construction based on already allocated schemes and another 5-6 GW is in tendering phase based on released tenders under various state policies
- The CPSU programme under NSM has been extended to 12 GW in February 2019. Also, the government is encouraging cash-rich PSUs to set up renewable energy projects. In particular, NTPC has already commissioned approximately 1115 MW of capacities, allocated around 2.0 GW and tendered a further 1.3 or so GW, under various schemes. It has a target of installing approximately 10 GW of renewable energy capacities by Fiscal 2022. Similarly, NHPC has recently allocated 2 GW of projects while the Indian Railways has committed to 5 GW of solar power by 2025. Other PSUs such as NLC, defence organisations and governmental establishments are also expected to contribute to this addition.
- CRISIL Research expects roughly 8-9 GW of projects to be commissioned under the solar rooftop segment over the next five years, mainly led by capacities tendered by SECI (up to 1,000 MW); capacities allocated by the state governments (1,500-2,000 MW), commissioning of 1,000 MW – 1,500 MW by government institutions such as metro, railways and airports; and 2,500 MW – 3,000 MW to be added by industrial and commercial consumers under net/gross metering schemes of various states.

Further, to meet the RPO target, states are expected to allocate significant capacities, supporting solar capacity additions going forward. However, there could be delays in some state allocations owing to uncertainty of infrastructure and delays in signing of PPAs.

Infrastructure support by government to bolster additions

The government plans to double solar park capacity to 40 GW to largely resolve any potential land issues. As of December 2020, solar parks of about 8.1 GW capacity were ready, while others are under different stages of construction. This includes increasing the inter-regional transmission capacity in India to 118 GW by fiscal 2022 to boost interstate/inter-regional transactions, improving transmission under green energy corridors by issuing tenders for transmission lines and substation projects worth ₹63 billion under the green energy corridor scheme. Further MNRE has commenced transmission planning for six complexes in India to handle an estimated RE capacity of 200 GW by Fiscal 2030. The transmission corridors to be constructed through concessional loans from foreign funding agencies would establish a low cost transmission system for evacuating renewable power. It also includes adding transmission capacities to support the offtake of power in states with large renewable energy potential such as Maharashtra, Andhra Pradesh, Telangana, Tamil Nadu and Karnataka. Finally, it also extended deadlines for solar projects by five months due to COVID-19 being read as force majeure.

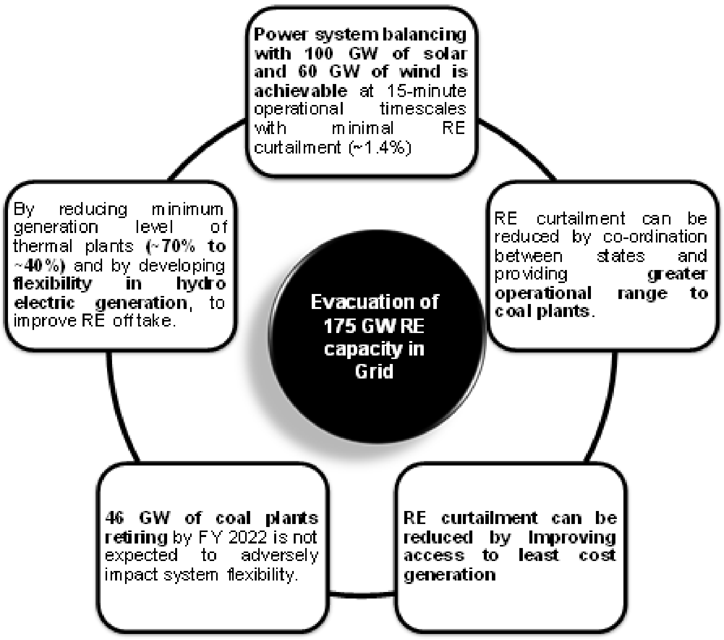
Capacity of approved solar parks (in MW)



Source: SECI; CRISIL Research

Improving transmission under green energy corridors – The government has already issued tenders for transmission lines and substation projects worth ₹63 billion under the green energy corridor scheme. Further MNRE has commenced transmission planning for six complexes in India to handle an estimated RE capacity of 200 GW by Fiscal 2030. The transmission corridors to be constructed through concessional loans from foreign funding agencies would establish a low cost transmission system for evacuating renewable power.

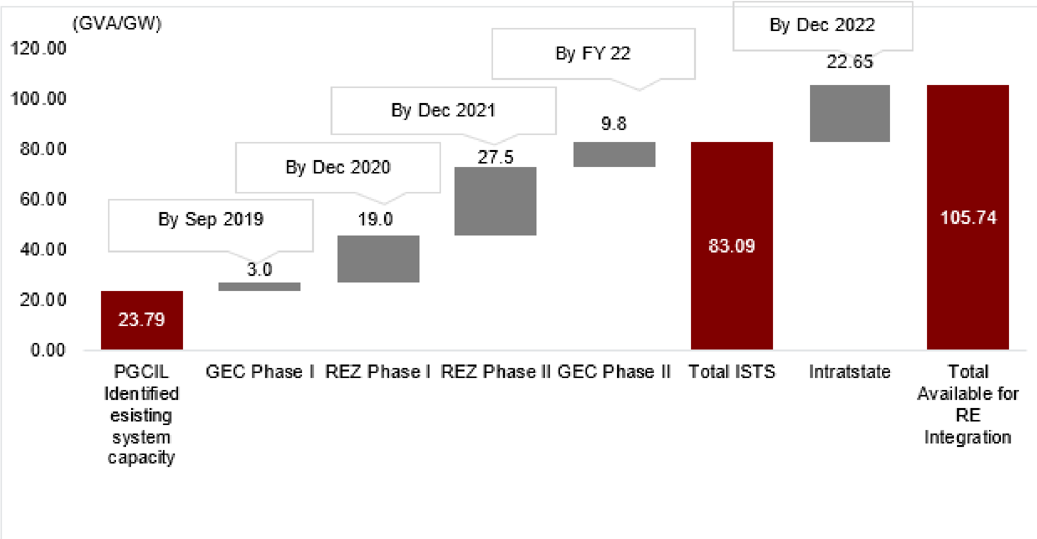
Evacuation of 175 GW RE capacity in the grid



Source: Greening the Grid – Volume I; CRISIL Research

Huge transmission system augmentation by state transmission companies to improve grid availability – States with large renewable energy potential such as Maharashtra, Andhra Pradesh, Telangana, Tamil Nadu and Karnataka are also adding transmission capacities to support the offtake of power.

Capacities for RE Integration



Source: PowerGrid Corporation of India Limited, SECI, CRISIL Research

The Green Energy Corridor Scheme and renewable energy zones (REZ), two main schemes to be implemented by Fiscal 2022 would add around 80 GW to an existing capacity of around 24 GW, taking the grid capacity planned for RE integration to above 100 GW.

Availability of low-cost finance from the new funding avenues

Apart from traditional funding channels available from banks, NBFCs and private equity, CRISIL Research believes that availability of low-cost finance will support solar power capacity additions, given the capital-intensive nature of projects. Low-cost finance options include:

- Masala bonds and green bonds
- Funding from Asian Infrastructure Investment Bank
- Creation of investment trusts

Aggressive expansion plans of central public sector undertakings

While allocating the 100 GW solar capacity addition target, the government envisaged that CPSUs would contribute around 10 GW of grid-connected solar power by Fiscal 2022. However, NTPC, India's largest thermal power company has alone targeted to add approximately 10 GW over the said period. NTPC has already commissioned around 1,115 MW of solar projects as on March 2021, while around 2 GW solar capacity is under construction, and is currently expanding capacities under Batch V (1,000 MW) of the NSM scheme, which provides viability gap funding to CPSUs for setting up solar projects. Apart from NTPC, Indian Railways, Coal India Limited (CIL), Neyveli Lignite Corporation (NLC), the Airport Authority of India (AAI), and National Hydro Power Corporation have also planned to set up either ground-mounted or rooftop solar capacities.

States such as Telangana, Karnataka, Rajasthan, Andhra Pradesh and Tamil Nadu to drive solar capacity additions – Telangana, Karnataka, Rajasthan, Andhra Pradesh and Madhya Pradesh together account for approximately 65% of the installed solar capacity in India. CRISIL believes these states will continue to drive capacity additions, given large allocations under central schemes, presence of green energy corridors (GECs) and the relatively good financial health of most of these states.

Energy storage solutions to improve the generation profile of RE plants by reducing variability of power fed into the grid – Battery-based energy storage solutions can be utilised across the value chain (generation, transmission and distribution companies) to mitigate the fluctuations arising out of the large scale RE penetration.

Floating solar PV projects have immense potential in India given land constraints – Although the government has approved 40 GW of solar parks across various states, a huge potential remains in other forms of solar PV generation such as roof top solar and floating solar projects. Large water bodies and reservoirs can be utilised by solar power developers to set up floating solar PV projects as it mitigates huge land requirements and legal hassles associated with projects located outside solar parks. Some of the other benefits of floating solar projects are:

- Reduction in evaporation from water bodies
- Reduction in algal growth in water bodies
- Reduction in the temperature of solar panels, which increases power generation
- Reduction in soiling losses due to lower dust accumulation on water bodies
- Reduction in construction time for these projects vis-à-vis land-based installations

State-wise status of solar RPO obligations in India

To promote the installation of solar power systems across various Indian states, the central government amended the National Tariff Policy ("**NTP**") in Fiscal 2016, proposing an increase in the solar RPO target to 10.5% by Fiscal 2022. Consequently, several states set RPO targets based on their respective renewable energy potential. However, the MoP issued a revised trajectory in June 2018 shown in the table below:

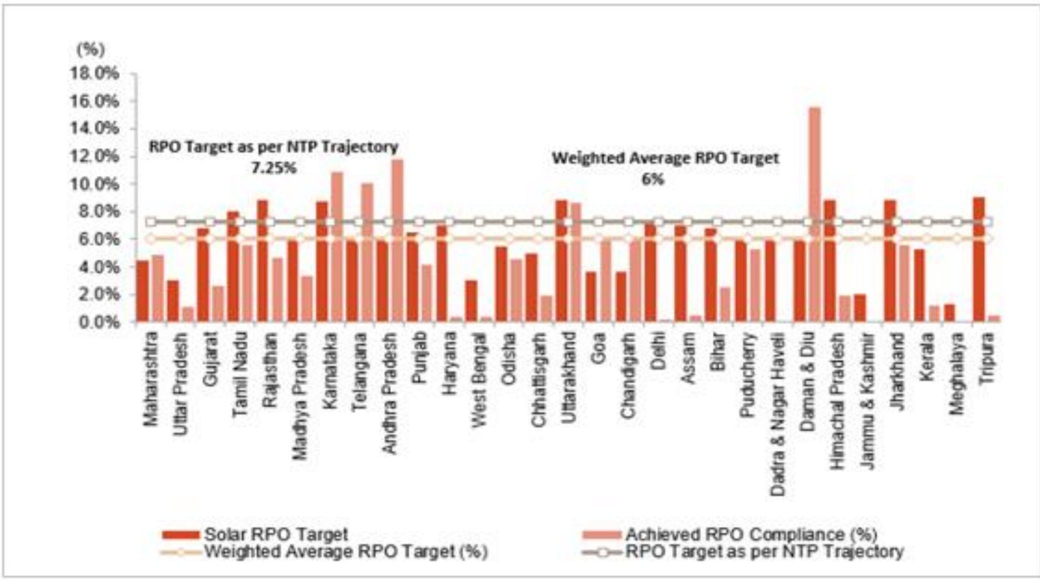
Long term RPO trajectory

Long-term RPO trajectory	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Non-solar	8.75%	9.50%	10.25%	10.25%	10.25%	10.50%
Solar	2.75%	4.75%	6.75%	7.25%	8.75%	10.50%
Total	**11.50%**	**14.25%**	**17.00%**	**17.50%**	**19.00%**	**21.00%**

Source: MoP, CRISIL Research

The revision has also allowed for inter-replacement of non-solar and solar RPOs in case one falls short. Any backlog would be carried forward. The overall solar RPO compliance is estimated at 75-80% in Fiscal 2020. This is mostly on account of over-achievement of existing RPO targets by particular states which have seen rapid solar capacity additions. In contrast, some state commissions have set low RPO targets compared with the MoP trajectory. Several states like Odisha, Punjab and Chhattisgarh are still yet to realign their RPO targets with the new trajectory.

State-wise RPO compliance, Fiscal 2020



Source: MNRE, Distribution Utility Tariff Orders, CRISIL Research

Karnataka, Telangana and Andhra Pradesh were the few states which exceeded their solar RPO targets. They account for approximately 40% of the total installed base as on February 2021. These states have seen rapid capacity additions over the past few fiscals as they are key solar-rich states.

The non-solar rich states are much behind in terms of capacity additions. Unless states are able to purchase the required number of RECs or intra-state RE power, compliance is unlikely to go up in the face of steeply rising RPO trajectory. Hence, while states such as Telangana, Karnataka, Andhra Pradesh, Rajasthan and Gujarat may be able to comply due to the rapid addition of solar capacities, states such as Delhi, Uttar Pradesh and Punjab may still lag.

Despite continuing non-compliance by most states, there has been limited enforcement on obligated entities – discoms, and open access and captive power users - to meet RPO targets. CRISIL believes that this is primarily on account of the weak financial health of state discoms. However, instances of penalty imposition has increased over the past one year. For instance, in October 2019, state distribution utilities of Delhi were penalised by the Delhi Electricity Regulatory Commission to the tune of ₹4.59 crore for defaulting on the RPO targets for three financial years (though this is under dispute currently).

However, uniform imposition of penalties is still lacking, with impositions being far and few between currently. While few states, as mentioned above, have taken some action, the success has been limited. For example, Maharashtra Electricity Regulatory Commission had directed all obligated entities to meet their solar RPO targets for 2011-15 cumulatively by Fiscal 2016. Despite that, Maharashtra State Electricity Distribution Company Limited failed to purchase RECs to fulfil its RPOs. Punjab discoms earmarked ₹800 million and ₹1 billion for Fiscals 2013 and 2014, respectively, to buy RECs, but utilised the funds to buy non-solar RECs only. However, the reduced solar REC prices on exchange are expected to support increase in compliance levels. The lower REC prices will help the discoms buy more from the exchange to meet their RPO targets.

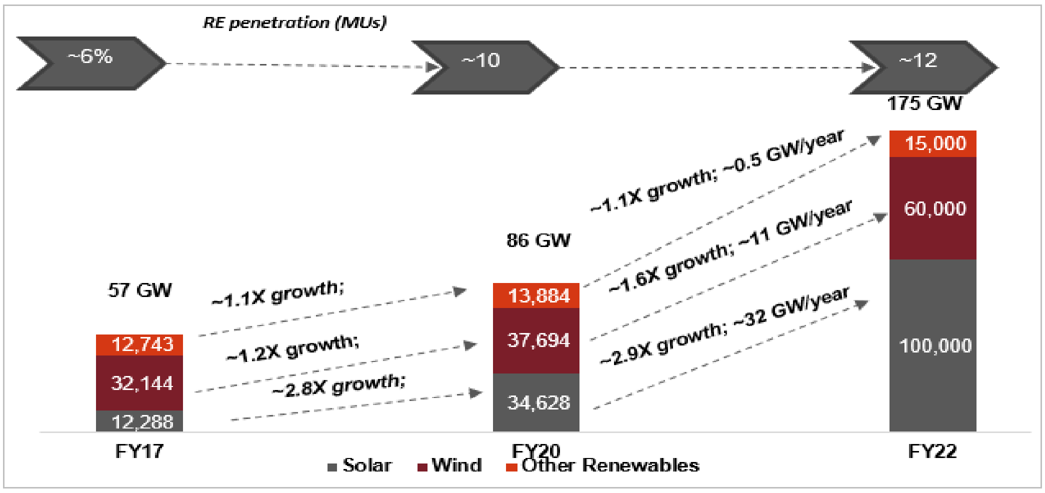
CRISIL believes that strict enforcement would be critical for significant improvement and fair distribution of RPO compliance across states. The MoP has proposed an amendment to the Electricity Act, 2003 stipulating a penalty on RPO non-compliance to the tune of ₹1-5 per unit for the extent of shortfall as determined by the Commission, however, this has not been passed so far. The MNRE has also set up a RPO compliance cell in May 2018. But strict enforcement of RPO targets remains to be still seen.

Outlook for solar sector in India

Outlook on power demand and capacity addition

In 2014, the government set the target for achieving 175 GW of RE by December 2022 in India, with major focus on solar energy (100GW by December 2022) and wind energy (60GW by December 2022). Other RE sources that include small hydro projects, biomass projects and other renewable technologies have to be ramped up to 15GW by December 2022.

Revised renewable energy capacity addition targets till Fiscal 2022 (MUs)



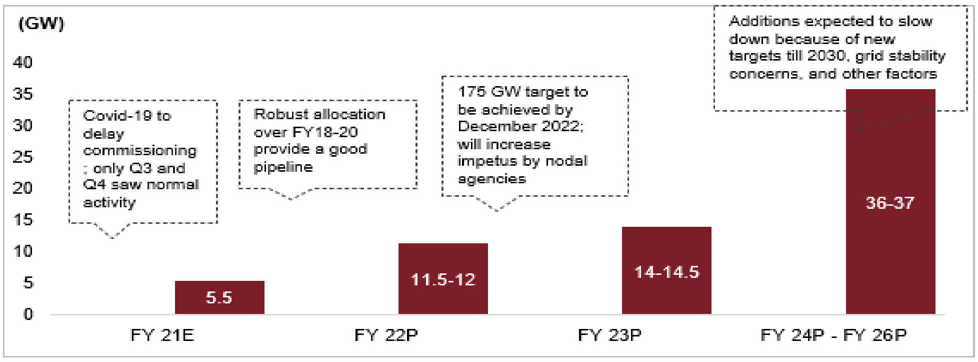
Note: MUs: Million Units
Source: CRISIL Research

CRISIL Research expects 62-64 GW of solar capacity additions over Fiscals 2022 to 2026 as compared with approximately 36 GW over Fiscals 2015 to 2021. Growth in capacity additions will be driven by support from government which has outlined an aggressive tendering roadmap and followed it so far:

- NSM Phase II Batch IV, V and VI;
- Other schemes launched by the Solar Energy Corporation of India ("**SECI**") (Inter-State Transmission System ("ISTS"), floating solar tenders, newer structure tenders, state-specific schemes, etc)
- Capacities tendered by distribution companies in various states to fulfil renewable purchase obligations ("RPO");
- Capacities tendered by cash-rich public sector undertakings ("**PSUs**") such as National Thermal Power Corporation ("**NTPC**"), Neyveli Lignite Corporation ("**NLC**") and Coal India Limited ("**CIL**").
- Rooftop projects

A few external factors such as improvement in technology and low capital costs are also key to enabling additions. However, additional taxation would increase capital costs and consequently, the willingness of state discoms to purchase.

Solar capacity additions Fiscal 2022 – Fiscal 2026P



P- Projected
Source: MNRE, CRISIL Research

The first quarter of this fiscal witnessed robust pick up in capacity addition, post a weak Fiscal 2021 due to the pandemic. However, capacity addition is expected to be affected this fiscal due to rising module prices. They are expected to be higher in Fiscal 2023 due to execution spillovers, driven by 75 days' extension granted by MNRE for projects with commissioning after 1 April, 2021. About 55 GW of projects have been allocated over Fiscals 2018-YTD, of which approximately 43 GW of utility scale is under construction. This will support commissioning over fiscals 2022 and 2023. Large allocations of CPSUs, manufacturing-linked and round-the-clock tenders, and government's plan of green hydrogen obligations for refineries and fertiliser industries is expected to support additions post Fiscal 2023, apart from other projects. Investors continue to back large established players, as the sector continues to consolidate. However, low-cost funding is critical to support future investments. Regulatory support, availability of land and timely execution of planned transmission capacities will be critical to lend further upside to the current outlook.

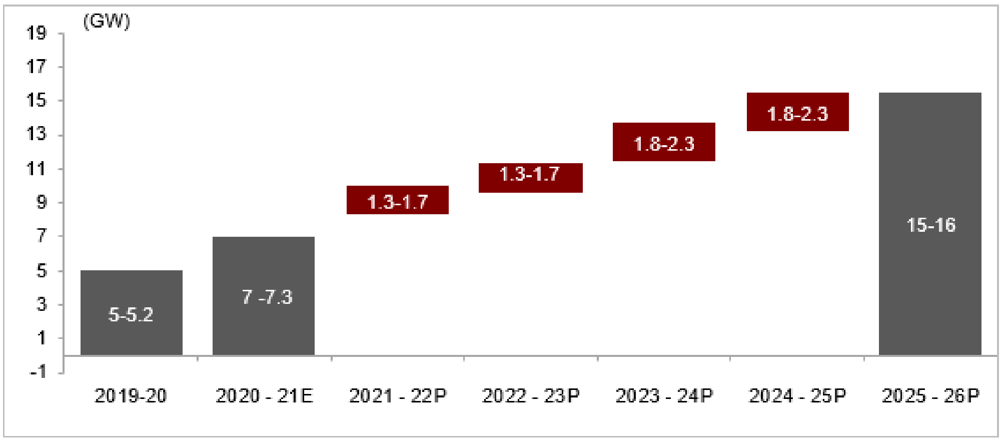
Outlook on rooftop solar market in India

8-9 GW of rooftop solar additions expected by 2026; to be concentrated in 8 states

CRISIL expects approximately 8-9 GW of projects to be commissioned under the solar rooftop segment over the next five years (2022-2026), mainly led by commissioning of capacities by SECI (up to 1,000 MW); capacities allocated by state governments (up to 1,500-2,000 MW), commissioning of 1,000 – 1,500 MW of capacities by government institutions such as metro, railways and airports; and 3,500-4,000 MW of capacities to be added by industrial and commercial consumers under net/gross metering schemes of various states. Further, the ministry's approval to allow net-metering up to 500 KW would give much needed fillip to the sector leading to an increase in demand for rooftop installations. Also, MNRE provides financial assistance for all rooftop projects constructed by the residential category of consumers: 70% for special category states and 30% for other states.

Solar power can act as an alternate for states with high load-shedding such as Tamil Nadu, Uttar Pradesh and Punjab, which are also served by diesel generator sets, and rural areas with a poor grid.

Projected capacity addition in the rooftop solar segment (GW)



Note: Historical solar rooftop installed capacity is based on internal estimates.
Source: MNRE; CRISIL Research

Over 50% of new capacity would be added by Delhi, Gujarat, Maharashtra, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu. However, these seven states would be able to achieve only 22% - 23% of their allocated targets. Also, Andhra Pradesh has recently announced CFA for residential consumers and a total of 8 MW has been sanctioned by MNRE under Phase II of the Rooftop Solar programme.

CRISIL Research analysed states on the following parameters, with each parameter assigned a weight and scored on a scale of 1 to 5. The weighted average score was computed and a potential achievement rate was assigned to state-wise MNRE targets to arrive at the outlook.

- Industrial and commercial load: Since rooftop solar is profitable for industrial and commercial consumers, states with more loads under this category are expected to witness higher additions. Hence, Gujarat, Maharashtra and Tamil Nadu, which had over 50% of annual sales to industrial and commercial consumers, will drive additions.

- Average tariffs for industrial and commercial consumers: Higher the discom tariffs, the more favourable are the economics of rooftop projects. Consequently, consumers in states such as Maharashtra, Karnataka and Tamil Nadu, where average tariffs range between ₹6 and ₹6.50 per unit would drive additions.
- Net/gross metering regulations: States with clearly defined regulations are more likely to attract investments in rooftop projects, as clarity in regulations would result in discom officials acting swiftly on applications and reduce chances of conflicts with applicants. Some states have covered most of the necessary parameters in their policy/regulations, while others such as Chhattisgarh and Kerala have not formulated detailed guidelines.
- Availability of feed-in-tariffs: FiTs are typically attractive as they are computed on a cost-plus model, which ensures healthy project returns. In case FiTs are not available, there is a provision for supplying compensating units to a grid at the rate of APPC. Hence, states that have a high APPC will be preferred as it would reduce the payback period.
- PLF: States with higher solar irradiance and sunny days would generate more units and hence would reduce the payback period, attracting more investments.
- Other regulatory charges: States that provide exemptions to their industrial and commercial consumers on cross-subsidy surcharge, wheeling and banking charges, and electricity duties which are levied on normal open access consumers would be preferred.
- AT&C loss: Discoms in states with higher AT&C losses would prefer to bring down their share of electricity supply to agricultural and residential consumers and support rooftop initiatives for such consumers.

Central and state-level schemes for solar capacity additions

Jawaharlal Nehru National Solar Mission (JNNSM)

JNNSM or NSM, launched as part of India's NAPCC in 2010, aims at establishing solar power infrastructure in India. The mission was launched with a target of 20 GW grid-connected solar power generation capacity, which was increased to 100 GW in June 2015 with a 40 GW target for rooftop solar electricity generation and a 60 GW target for large and medium-scale grid-connected solar projects.

Rewa Ultra Mega Solar Park auction

The joint venture of Madhya Pradesh Urja Vikas Nigam Limited and Solar Energy Corporation of India Limited, RUMSL was responsible for conducting auctions for the Rewa solar park. This was the first of its kind model in India, where solar power generated from the plant is traded to an interstate bulk buyer DMRC. Furthermore, MPPMCL does not charge any margin money (or trading margin) on the power supplied to DMRC. Moreover, these bids had a three-tier payment security mechanism: letters of credit, payment security fund and payment security guarantee by the Government of Madhya Pradesh.

Salient features of Rewa Ultra Mega Solar Park development includes the fact that SECI is getting long-term concessional financing from the World Bank for the construction of solar parks, and PowerGrid Corporation of India Limited is constructing the associated transmission infrastructure. The MNRE is supporting this solar park by providing ₹1.5 billion for land acquisition and development of solar park infrastructure. Madhya Pradesh government provided approximately 1,300 ha of land of the roughly 1,500 ha required for setting up the solar park.

Off-grid applications

In case of off-grid applications of solar power, 30% capital subsidy and/or 5% annual interest bearing loans have been approved for general category states. Capital subsidy of up to 90% of benchmark project cost is available for the special category states of Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand.

Wind-solar hybrid

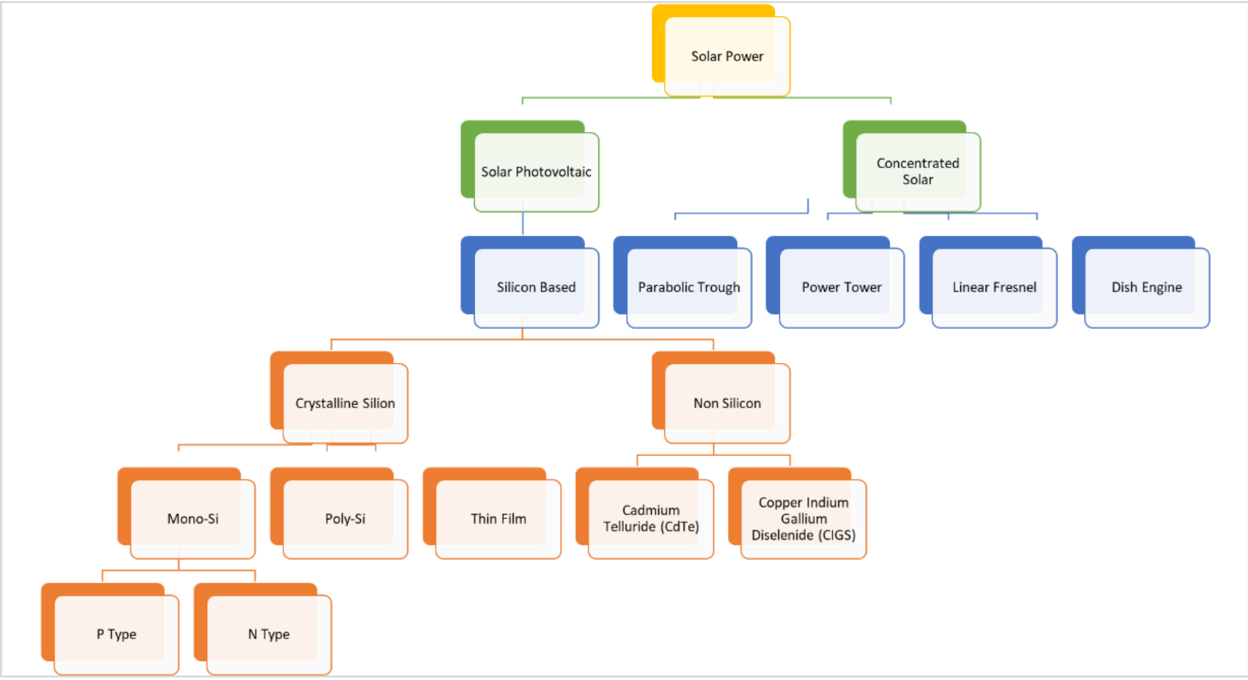
Wind-solar hybrid (WSH) is fast becoming the preferred RE option in India. Although the MNRE has not yet set a generation target for the nascent sector, WSH has received strong support from the central public sector undertaking SECI and several state governments. There are two types of WSH projects – pure-play ones and those with storage. There are also projects that may come up under the government's round-the-clock power scheme, which has a mandatory 51:49 blend of RE and thermal.

Outlook on WSH market in India

CRISIL Research estimates approximately 12-14 GW of WSH power to come up in the country over Fiscals 2022 to 2026, out of the total 62-64 GW of overall renewable capacity. Of this, approximately 10 GW is already either under construction or being tendered. SECI invited bids for 1.2 GW WSH capacity in January 2020, under its Tranche III tender for RE projects. While the biggest beneficiaries of the WSH policy will be major windy states such as Madhya Pradesh, Karnataka, Gujarat, Tamil Nadu and Andhra Pradesh, under-penetrated windy states such as Maharashtra and Chhattisgarh are also expected to see some traction.

Assessment of solar module and PV manufacturing in India and globally

Solar Power Technology



Source: CRISIL Research

The mono-crystalline silicon cell can be further classified into P and N types based on chemical elements doped in silicon wafers. Mono PERC solar cells, which are more common, use P type wafers whereas the emerging TOPCON, Heterojunction, and IBC use N-type wafers. Currently, mono PERC dominates the market. Further, many players have also announced bigger, better & higher output modules. The power output of these modules ranges from 500W to 600W and even 660+W in some cases. JA Solar has also launched 800W panel which is incredibly large with 2.2m high and 1.75m wide. Technology used in solar power generation plants determines the plant's efficiency. Crystalline PV cells provide higher efficiency than thin film cells though are more expensive than the latter. In India, most PV-based solar power plants use crystalline PV modules as it is more established. With advancement in technology, efficiency is expected to improve in future.

Overview of Solar Module Manufacturing

Crystalline silicon (c-Si) technology is largely deployed in solar PV globally as well as in India. The technology is also expected to comprise the majority share in India's ambitious target of 100 GW solar capacity addition by December 2022. However, currently, 80-85% of the solar modules need be imported as domestic capacity is inadequate to meet demands. India does not have a manufacturing base for polysilicon ingots and wafer; hence, players import these components, incurring high cost. Additionally, installed capacity for solar cells in India (approximately 3.2 GW as on March 2021) significantly trails solar module capacities (approximately 10.9 GW as on March 2021), requiring module players to import the cells from China.

Schematic of c-Si PV module supply chain

Source: CRISIL Research

Only a few GW-scale companies are present in India. Many of the smaller companies have capacities in the 100-500 MW range, with very high operational costs.

Key domestic solar module manufacturers with capacity

Sr. no.	Name	Installed capacity (MW)	ALMM enlisted capacity (MW)
1.	Waaree Energies	2,000	2000*
2.	Vikram Solar	2,500	970
3.	Renewsys	1,950	750
4.	Premier Energies	1,250	482
5.	Adani Mundra PV	1,500	1100
6.	Tata Power Solar	580	300
7.	IndoSolar	500	NA
8.	Goldi Green	500	500
9.	Emmvee Photovoltaic	500	500

*Source: Company websites, MNRE-ALMM Aug- 21, NA: Not enlisted, *Incl. Waaree Renewables, CRISIL Research.*

In contrast, global manufacturers such as LONGi Solar, Trina Solar, JA Solar, Jinko Solar, etc are present across the PV value chain, and operate on a larger scale; hence, enjoy significant cost advantages. Apart from price competitiveness, global suppliers are leaders in terms of technological innovation, which is a key factor for improving the utilisation of energy projects. This is also another factor driving preference for imported modules. While there have been several announcements by global suppliers to set up units in India, post imposition of SGD, most have not materialised, or activity has been slow because of procedural bottlenecks faced by the entities.

Key foreign player announcements made in the past for capacity expansion in India

Company name	Product	Capacity (MW) / investment
LONGi Solar	Cells and modules	1,000 MW each / $309 million
CETC	Cells	USD 50 million
Trina Solar	Cells and modules	1,000 MW / $500 million
GCL-Softbank	Ingots, wafers	4,000 MW / $930 million

Source: CRISIL Research

Outlook for solar module manufacturing

CRISIL Research expects 62-64 GW of solar PV capacity additions over fiscals 2022 to 2026

Government schemes and solar rooftop are key sources of domestic demand for Indian modules: The government in February 2019 extended the CPSU scheme to 12 GW from 1 GW to provide impetus to the domestic solar module manufacturing industry. Moreover, demand from the rooftop segment is expected to support demand, as around 4 GW of residential projects under Solar Rooftop Programme Phase II have been mandated to procure domestic modules. Another government scheme, KUSUM which aims to add 30.8 GW by December 2022, is also expected to drive demand, as it is mandatory to procure domestic modules for the entire capacity set up under the scheme.

To provide support to domestic manufacturing, MNRE had issued two orders in 2019 to provide for enlistment of models and manufacturers of solar PV cells and modules, post inspection of the manufacturing facilities. Further, on March 10, 2021, MNRE issued an ALMM list for solar PV modules. List I - List of Models and Manufacturers for Solar PV Modules. The ALMM order with respect of List-I (Modules) or List–II (Cells) will be applicable only on projects for which the bids are concluded after 30 days of publication of the list. Accordingly, the ALMM order with respect to List I (Modules) will be applicable on all such bids whose last date of bid submission is on or after April 10, 2021. This may drive the demand for domestic modules beyond Fiscal 2024.

Developments in PV technology and launch of new products, increased impetus to domestic manufacturing, and lack of consistent/stable long-term policies have limited the outlook for module demand. Also, at present, the ALMM list does not include foreign players. However, in future, foreign players or their Indian manufacturing capacities (if available) may get added to the ALMM list, which may change the demand-supply outlook. The government had imposed SGD of 25% with a declining trajectory on imported solar cells and modules, including from China and Malaysia, the two key exporters to India.

Scheme and incentives supporting solar module manufacturing in India

Provision of Basic Customs Duty

The Atmanirbhar Bharat initiative has geared up the country toward scaling up domestic manufacturing. Scaling up of domestic solar manufacturing would also enable India to export solar cells/modules. This would also provide other countries an alternative avenue for procuring solar cells/modules. The proposal of MNRE to impose Basic Customs Duty (BCD) on solar cells and modules (without grandfathering of bid out projects) has been agreed to by the Ministry of Finance. Accordingly, in March 2021, MNRE issued office memorandum to impose BCD on solar PV cells and modules at a rate of 25% on solar PV cells and 40% on solar modules with effect from April 1, 2022.

PLI scheme - National Programme on High Efficiency Solar PV Modules

On November 11, 2020, the government introduced the PLI scheme for 10 key sectors to enhance India's manufacturing capabilities and exports under its *Atmanirbhar Bharat* initiative. One of the 10 sectors for which PLI was approved is high efficiency solar PV modules, for which the MNRE has been designated as implementing ministry. The financial outlay for the PLI scheme is ₹4,500 crore over a five-year period. The aim of the PLI scheme is to promote the manufacturing of high efficiency solar PV modules in India and, thus, reduce import dependence in the area of renewable energy. The PLI scheme will be implemented by the MNRE through IREDA as the implementing agency.

Beneficiaries of the PLI scheme will be selected through a bidding process. In order to qualify, the manufacturer will have to set up a plant of minimum 1,000 MW capacity. Manufacturers will also have to fulfill the following minimum performance parameters:

- Minimum module efficiency of 19.50% with temperature coefficient of Pmax better than -0.30% per degree Celsius, or
- Minimum module efficiency of 20% with temperature coefficient of Pmax equal to or better than -0.40% per degree Celsius

Bidders fulfilling the minimum conditions will be shortlisted. Subsequently, they will be assigned marks for determining their position, as per the following selection criteria table:

Selection criteria table

Extent of integration	From polysilicon to module		From ingots-wafers to module			Only cell and module	
Marks	50		35			35	
Mfg. capacity (MW)	>4,000	3,500-4,000	3,000-3,500	2,500-3,000	2,000-2,500	1,500-2,000	1,000-1500
Marks	50	45	40	35	30	25	20

Source: MNRE, CRISIL Research

At the time of bidding, bidders will also have to submit quantum of PLI required for the five-year period, post commissioning of the manufacturing unit. They need to calculate PLI requirement for each year, based on estimated values of the parameters in the above formula. Though a manufacturer can bid for any capacity (MW), the maximum capacity that can be awarded to one bidder under the PLI scheme is 50% of the bid capacity (capacity that is promised to set up in the bid) or 2,000 MW, whichever is less, to accommodate at least three manufacturers under the overall envelope of ₹4,500 crore.

Performance matrix table

Module's temperature coefficient of Pmax* (% per degree Celsius)	Base PLI rate (Rs/Wp) for module efficiency				
	<19.5%	19.5-20.0%	20.0-21.5%	21.5%-23.0%	>23.0%
Worse than -0.40	0	0	0	0	0
-0.40 to -0.30	0	0	2.5	3	3.5
Better than -0.30	0	2.25	2.75	3.25	3.75

Source: MNRE, CRISIL Research

In order to have a competitive solar PV manufacturing industry, the PLI rate (₹/Wp) will be higher at the beginning of the five-year period, and lower towards the end. To achieve the objective of tapering the PLI rate (in ₹/Wp), the PLI rate will be multiplied by the tapering factor:

Tapering factor

Year 1	Year 2	Year 3	Year 4	Year 5
1.4	1.2	1.0	0.8	0.6

Source: MNRE, CRISIL Research

Manufacturers will be encouraged to source material from the domestic market. The PLI amount will increase with the increase in local value addition. The percentage of local value addition will be calculated as: [(Sale value of module as per GST invoice, excluding net domestic indirect taxes) – (Value of direct and indirect imported materials and services (including all customs duty) as per bill of entry filed at customs, used in the manufacture of modules)] / [(Sale value of module as per GST invoice, excluding net domestic indirect taxes] x 100%

Timeline for commissioning of solar PV manufacturing facility

Within 3 years from date of sanction

- Stage-1: Manufacturing of polysilicon from outsourced (imported/domestic) MG Silica
- + Stage-2: Manufacturing of ingots-wafers from Stage-1 polysilicon
- + Stage-3: Manufacturing of solar cells from Stage-2 wafers
- + Stage-4: Manufacturing of modules from Stage-3 solar cells, or
- Fully integrated manufacturing of thin film plant, or
- Fully integrated plant of any other technology

Within 2 years from date of sanction

- Stage-2: Manufacturing of ingots-wafers from outsourced polysilicon
- + Stage-3: Manufacturing of solar cells from Stage-2 wafers
- + Stage-4: Manufacturing of modules from Stage-3 solar cells, or
- Similar level of integration of any other technology

Within 1.5 years from date of sanction

- Stage-3: Manufacturing of solar cells from outsourced wafers
- + Stage-4: Manufacturing of modules from Stage-3 solar cells, or
- Similar level of integration of any other technology

Source: MNRE, CRISIL Research

CPSU scheme

Under the NSM, the central government is incentivising CPSUs to install solar power under the VGF mechanism. Under Batch V of NSM, it has already allocated approximately 1 GW. Further, the government has mandated large public sector institutions, such as Indian Railways, defence establishments, Airports Authority of India, and metro corporations, to substitute part of their power consumption with solar power.

Subsequently, MNRE launched CPSU Scheme Phase-II for setting up 12,000 MW grid-connected solar PV power projects by CPSUs/ state PSUs/ government organisations, with VGF support for self-use or use by the government/ government entities, either directly or through discoms. The aim of the scheme is to set up solar PV projects using domestic cells and modules in a WTO-compliant manner to facilitate national energy security and environment sustainability.

Year-wise allocation targeted:

- Fiscal 2020: 4,000 MW
- Fiscal 2021: 4,000 MW
- Fiscal 2022: 4,000 MW

Government support: VGF of up to ₹70 lakh/ MW; actual VGF decided through bidding for required VGF
Mode of allocation: Bidding through SECI on VGF required
Usage of solar power: Self-use or use by other government organisations through discoms
Domestic content requirement: Domestically manufactured solar PV cells and modules

Usage charges:

July 3, 2019	April 13, 2020	May 10, 2021
₹3.50/unit	₹2.80/unit	₹2.45/unit

MNRE subsequently entrusted IREDA with the task of handling the scheme on its behalf, and the responsibility of selecting solar power developers through VGF-based bidding.

PM Kusum

Vide its notification dated July 22, 2019, MNRE issued guidelines for implementation of Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan (PM KUSUM) scheme. The scheme has the following components:

- Component-A: Setting up of 10,000 MW of decentralised ground-mounted grid-connected solar power plants of individual plant size up to 2 MW
- Component-B: Installation of 17.50 lakh standalone solar powered agriculture pumps of individual capacity up to 7.5 HP
- Component-C: Solarisation of 10 lakh grid-connected agriculture pumps of individual pump capacity up to 7.5 HP

Component-A and Component-C will be implemented initially as pilots for 1,000 MW capacity and one lakh grid connected agriculture pumps, respectively, and Component-B will be implemented full-fledged, with total central government support of ₹19,036.5 crore. Post successful implementation of the pilot projects, these will be scaled up with necessary modifications, based on learnings from the pilot phase, with total central government support of ₹15,385.5 crore. All three components of the scheme aim to add solar capacity of 25,750 MW by 2022, with total central financial support of ₹34,422 crore. Subsequently, MNRE, in November 2020, scaled up and expanded the PM KUSUM scheme.

Component-wise revised solar capacity and financial support

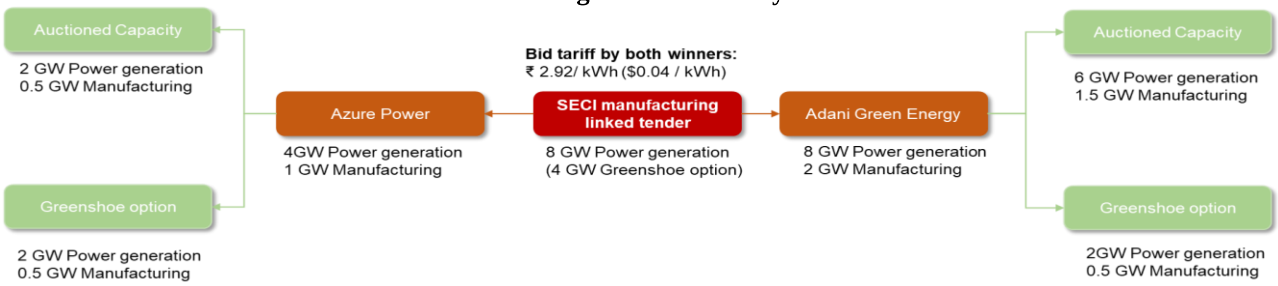
Component	Revised target	Solar capacity (GW)	Central financial support (₹ crore)		
			CFA	Service charges	Total
A	10,000 MW	10.0	3,300	25	3,325
B	20 lakh pumps	9.6	15,600	312	15,912
C	15 lakh pumps	11.2	14,508	290	14,798
Total		**30.8**	**33,408**	**627**	**34,035**

Source: MNRE, CRISIL Research

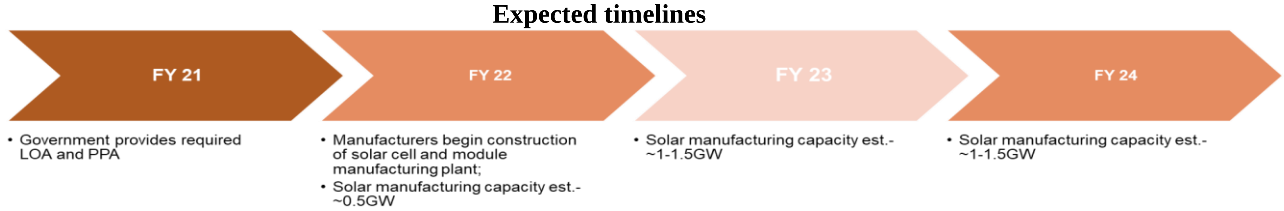
Solar manufacturing-linked tenders

SECI has issued tenders for setting up ISTS-connected solar PV projects linked with setting up of solar manufacturing plants in India on build-own-operate basis. It will enter into a PPA with successful bidders for purchase of solar power for 25 years. SPDs selected by the SECI will be required to set up solar manufacturing capacity over a maximum period of 2-4 years, depending on the capacity. The SPDs will be selected through tariff-based competitive bidding followed by e-reverse auction. The SPDs will be provided assured PPA against the solar manufacturing plant's capacity.

Solar manufacturing-linked tender by SECI



Expected timelines



Source: SECI, CRISIL Research

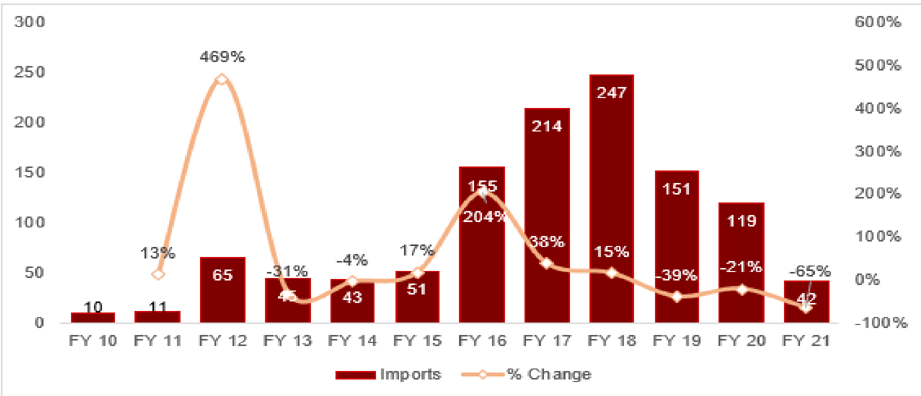
Rooftop solar projects (RTS) and domestic content requirement (DCR)

For solar projects proposed to be developed under NSM, DCR was mandated. However, post the WTO ruling, the DCR was restricted only to tenders where government is the procurer. The central government, in December 2015, approved the 'Grid Connected Rooftop and Small Solar Power Plants Programme' to install 4,200 MW of RTS plants in the country by Fiscal 2020, of which 2,100 MW was through CFA and the balance 2,100 MW was without CFA. The RTS projects sanctioned under this programme are under implementation by state nodal agencies, SECI, PSUs, and other government agencies. Subsequently, the central government, in February 2019 approved Phase-II of Grid Connected Rooftop and Small Solar Power Plants Programme for achieving cumulative capacity of 40 GW RTS plants by December 2022. In Phase-II, it has been decided to implement the programme by making discoms and its local offices as nodal points for implementation of the RTS programme.

Share of domestic and imported modules

During 2000-2010, the Indian cell and module manufactures were as competitive as their global counterparts. They exported majority of their production due to robust overseas demand. Players such as Moser Baer, Tata BP Solar (now Tata Power Solar), Jupiter Solar Power, and Indosolar made substantial investments in solar cells and modules manufacturing. As of March 2021, India has approximately 3.2 GW installed capacity of solar cells and approximately 10.9 GW of modules. Even though India is one of the top 10 solar module producers, it is far behind its biggest competitor China. Considering this, 80-85% of solar modules need to be imported due to inadequate capacity as well as technology. In Fiscal 2021, imports declined 65% on-year to ₹42 billion (from ₹119 billion), largely due to the pandemic-induced slower project execution, frequent policy changes, and mid-year change in duty rate, which delayed the ordering.

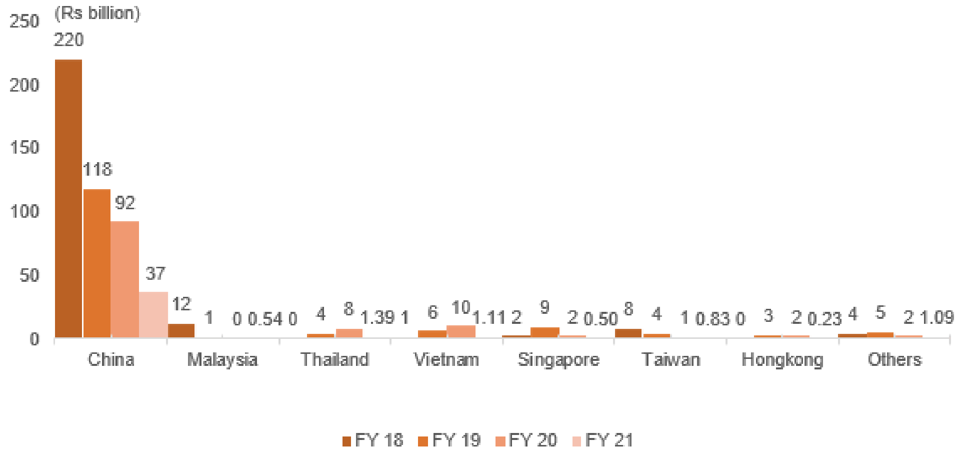
Solar module imports (₹billion)



Source: Ministry of Commerce, CRISIL Research

China continues to be the largest module exporter to India, followed by Malaysia. BCD along with the PLI scheme is expected to improve the demand for domestic modules. However, till that time imports will continue to form majority portion of domestic demand due to technological advantage.

Country-wise module imports



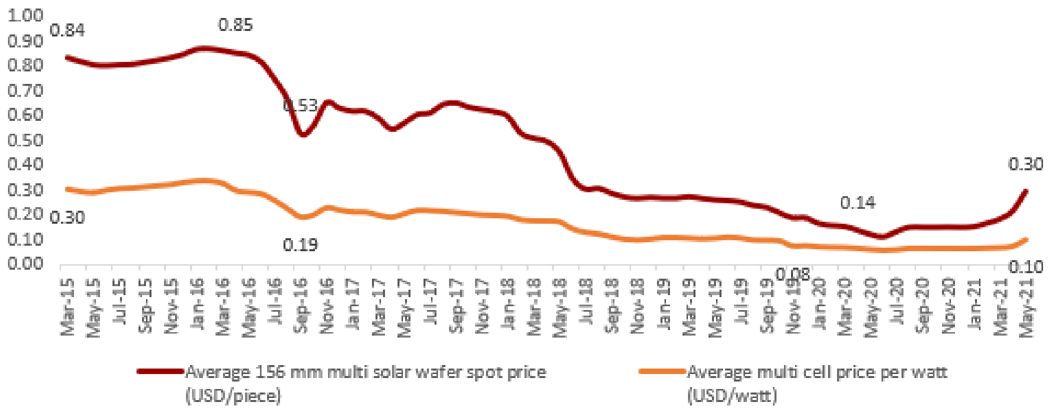
Source: Ministry of Commerce, CRISIL Research

Price trend of solar PV cells and modules

Prices of cells and wafers up in past 12 months

Technological advancements, economies of scale, slowdown in the Chinese market due to policy changes, and pandemic-triggered halt in business activities pushed up prices of silicon wafers (used to make solar PV cells) by approximately 140% over May 2020 to May 2021. In May 2021, prices of multi-Si and mono-Si M10 wafers continued to rise due to material shortage as well as self-consumption by leading module manufacturers. Insufficient supply of wafers continued to impact the operating rate of cells in May 2021. Due to strained supply of upstream wafers, prices of multi-Si cells increased. Hoarding of inventory before implementation of revised duty rates by the Indian government also impacted supply.

Wafer and cell prices have trended down

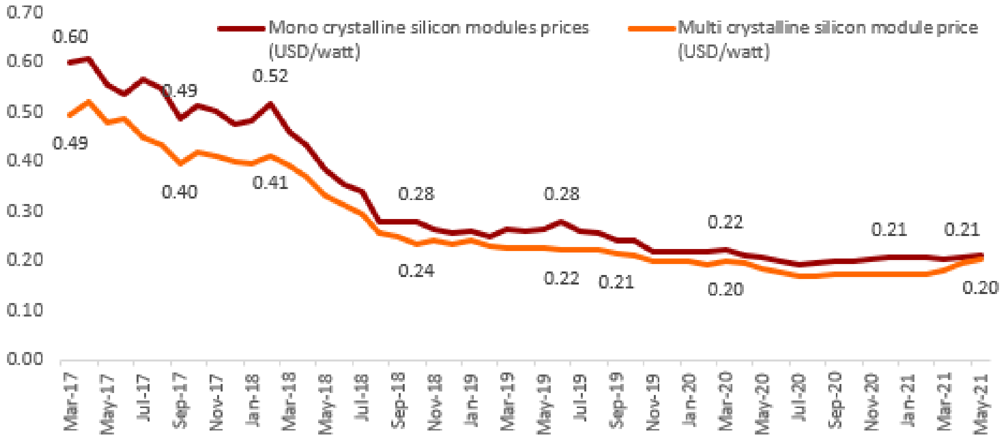


Source: Industry, CRISIL Research

Declining module prices

Global average solar module price (55-60% of the total cost), declined 73% to US$ 0.47/watt in 2016 (average for January-December) from US$ 1.78/watt in 2010. In fact, prices continued to decline to US$ 0.22/watt by end-August 2019, owing to the wide demand-supply gap in the global solar module manufacturing industry. Historically, global solar demand has been half of the total module manufacturing capacity. Moreover, innovation in the manufacturing processes has reduced cost, putting downward pressure on module prices. Further, declining inverter prices (6-7% of the capital cost), which fell to US$ 21/watt by March 2020, reduced system costs.

Module prices plummeted approximately 86% over Fiscals 2010-2021



Source: Industry, CRISIL Research

However, 80-85% increase in polysilicon prices from March to May 2021, due to shortage of capacity and surge in downstream demand, has increased multi-crystalline module prices to US$ 0.22/watt. Capacity shortage was due to occurrence of explosion and floods in key Chinese facilities, increased safety checks and the pandemic-caused shutdown of small manufacturers. Also, as per our forecast, China will continue to add solar capacity in the range of 50-55 GW in 2021, similar to last year. Global demand is expected to increase due to the healthy additions in the Middle-East and Africa. However, capacity expansion plans announced by key players such as Jinko Solar, JA Solar, and GCL-Poly (expected to come online by end-fiscal 2022) will put downward pressure on module prices. However, prices of polysilicon have stabilised since mid-June 2021, and are expected to remain steady led by deferment of orders for modules as well as impact on cost of production for Chinese module manufacturers who have limited ability to pass on the average selling price (ASP).

Hence, CRISIL expects module prices to be steady by the end of 2021. Moderation is expected only after 2021/first half of 2022 when affected polysilicon capacities come back online coupled with planned greenfield capacities. Module prices are expected to be US$ 0.20-0.22/watt for multi-crystalline and US$ 0.21-23/watt for mono-crystalline by the end of Fiscal 2022.

Major export destinations

Although India has been importing around 80% of its solar module requirement, it is worthwhile to note that exports in Fiscal 2020 saw a massive increase of 86.22% over Fiscal 2019 levels. However, during Fiscal 2021, exports reduced by around 40.33% due to restrictions imposed globally amid the COVID-19 pandemic. It is also pertinent to note that India used to export much higher value of solar modules. Indian manufacturers derived over 90% of their revenues through exports, given limited opportunity in the domestic market. However, post that, China rapidly expanded its cell and module capacities and emerged as a strong threat to India. Higher scale and backward integration helped improve China's cost-competitiveness, compared with India. Availability of equipment-linked financing further restricted potential for Indian exports.

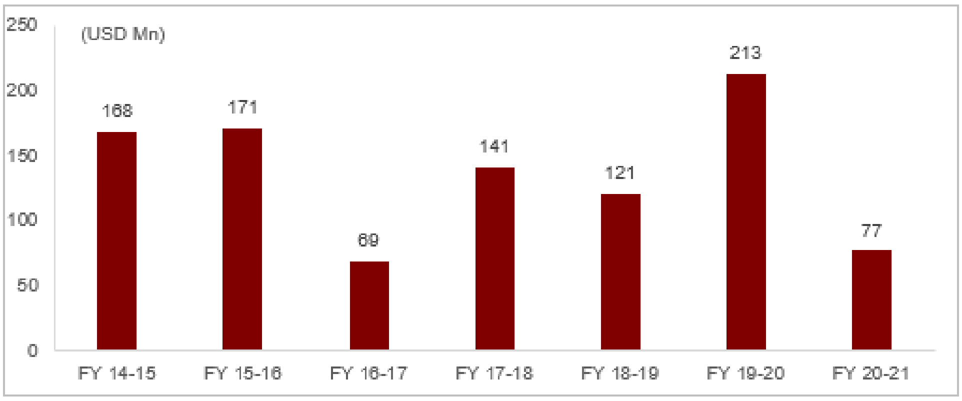
In Fiscal 2014, exports rose to US$ 283 million, as anti-dumping and countervailing duties (average of 47.7%) were imposed on modules and cells imported from China. Further, the EU levied high import duties of 45-50% on Chinese modules. As an alternative to this, they introduced the minimum import price (MIP) mechanism, whereby Chinese manufacturers had to abide by a floor price and import quotas to avoid the high import duties. MIP restricted bulk export orders by Chinese players, which benefited Indian suppliers. A sharp rupee depreciation further aided growth in exports from India for the period.

A decline in capacity additions (to 7 GW in Fiscal 2014 vis-à-vis 22 GW in Fiscal 2011) from European nations due to a reduction in FITs and subsidies pulled down exports, particularly in Fiscal 2015. However, in Fiscal 2016, the export of solar modules rose, albeit modestly, driven by the doubling of solar module exports to European nations such as the UK, the Netherlands, Italy, Spain, and Germany.

In Fiscal 2017, exports decreased again to US$ 69 million on account of a fall in demand from the UK and other European nations. Capacity additions slowed down as the UK added only 2 GW of capacities in calendar year 2016, with players like Wuxi Suntech, Yingli, JASolar, and Jinko Solar being main suppliers. Exports to the US also contracted 35% as indigenous module manufacturers strengthened capacities with cell and module production rising 24% and 29%, respectively, as Chinese players face high tariffs in the market. Exports picked up in Fiscal 2018, at US$ 141 million, exceeding exports of US$ 69 million in Fiscal 2017. This was owing to a steep rise in exports to the USA, as a petition was filed by US manufacturer Sunviva, against all imports of solar modules. This caused a rush by US solar project developers to import modules before the duty got reimposed. Additionally, the European region witnessed increased demand, where distributed generation projects spurred installations in Belgium, the unlicensed solar market led to increasing installations in Turkey, and several large ground-mounted PV projects drove installations in Italy. Africa is also emerging as a key export market as multilateral aid for the region also focuses on renewable energy, especially distributed solar, as a key source of energy for the under-developed parts. For instance, in October 2017, International Finance Corporation (IFC), a World Bank arm, provided a US$ 653 million debt package to finance the building of 13 solar power plants near Aswan in Egypt, planned to be part of the largest solar park in the world.

Exports have weakened in Fiscal 2019, falling approximately 7% from US$ 121 million in Fiscal 2018 to ₹8.5 billion. Demand has shifted to the US market from the EU over Fiscals 2018 and 2019, due to the tariff exemption granted to India under the new anti-dumping measures against imported modules from around the world since January 2018. Even as Indian dependence on imported solar modules and cells continues, exports for Fiscal 2020 increased to US$ 213 million from US$ 121 million (increase of 76%) from Fiscal 2019. However, due to COVID-19 disruptions, exports declined to US$ 77 million in Fiscal 2021.

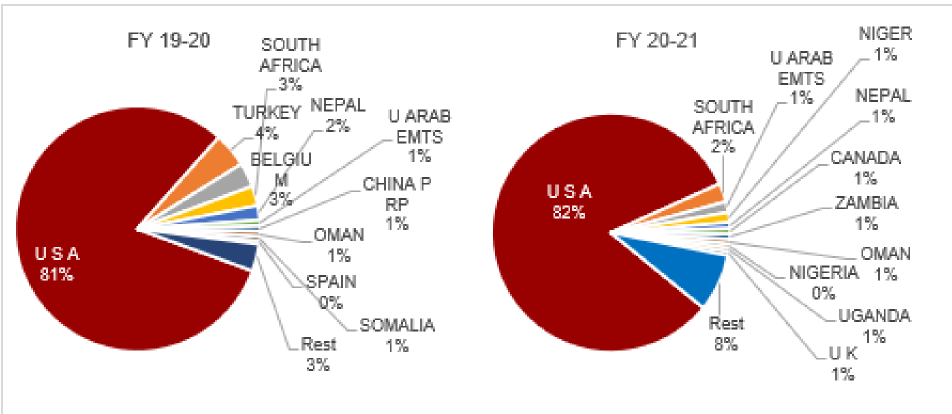
Export of modules in value terms



Source: Ministry of Commerce; Data for HS Code 85414011; CRISIL Research
Until recently, India had the same HS code for solar cells whether or not they were assembled as modules/panels – 85414011. In the Union Budget 2020, the Ministry of Finance segregated the HS codes as following:
85414011 - Solar cells (not assembled)
85414012 - Solar cells (assembled in modules or made up into panels)

During Fiscal 2020, USA accounted for 81% of the exports of solar modules (in value terms), followed by Turkey, Belgium and South Africa.

Percentage share of export of solar modules (in value terms US$ Mn)



Source: Ministry of Commerce; CRISIL Research

Distribution Channels for PV Modules

To reach out to the end users such as residential, commercial, and industrial consumers, various module manufacturers have their distributor network or have appointed franchisee. Availability of local contact is very important for these consumers while accepting the solar products. With increased awareness, more and more consumers are showing interest in solar installations. The distribution channel partner help in reaching out to consumers as well as for informing them about the new technology. The end user generally does not have technical knowledge of complex products such as modules and hence have very little say in selection. However, through a known partner, the consumers can be convinced to a large extent and such network can be utilized for enhancing the consumer reach. Waaree Energies has over 350 unique franchisee network across India. This model provides different opportunity than just dealership or distributorship of products. These are exclusively tied up traders which help in end-to-end product plus service. They help in reaching the last mile connectivity and help in increasing consumer awareness about various offerings in residential and C&I consumers specially in tier-1 and tier-2 cities. Vikram Solar has distribution network connecting more than 40 cities, ensuring the availability of solar products and solutions across 600+ locations Pan-India. Similarly, Adani solar has retail distribution of its solar panels in seven regions, with over 500 cities across the country.

Competitive mapping of solar module manufacturers in India

Competitive mapping covers the details of companies, their products and services within a given market to understand competitive intensity.

Comparative Summary of Module Manufacturers

Parameter	Waaree Energies	Vikram Solar	Adani Mundra Solar	Premier Energies	RenewSys India	Emmvee Photovoltaic	Alpex Solar
Number of manufacturing factories	3 in Gujarat	1 each in West Bengal and Tamil Nadu	1 in Gujarat	2 in Telangana	1 each in Karnataka, Andhra Pradesh and Maharashtra	2 in Karnataka	1 each in HP and UP
Experience in PV module manufacturing	14 years	15 years	4 years	26 years	6 years	14 years	13 Years
Operational capacity (as on Aug-21)	2 GW modules	2.5* GW modules	1.5 GW cells and modules	1.25* GW Modules 750 MW Cells	1.95 GW solar PV modules 130 MW solar PV cells	500 MW modules	450 MW Modules
Under-construction capacity	3 GW modules 4 GW Cell (Planned)	-	2 GW cell and module	1.75 GW Modules 1 GW Cells	1 GW cells	-	-
NABL Accredited Lab	For Modules	-	-	-	For Encapuslants, Backsheets	-	-
Enlisted Capacity as ALMM List Aug-21	2,000 MW#	970 MW	1100 MW	482 MW	750 MW	500 MW	-
Market share as a % of total enlisted capacity as per ALMM	24%	12%	13%	6%	9%	6%	-
Products and services	Solar PV modules, Inverters, Batteries, EPC services, rooftop	Solar PV modules, EPC services, solar O&M services, and water pumps	Solar PV cells and modules, EPC services, O&M services,	Solar PV cells and modules, EPC services, O&M services, and water pumps	Solar PV modules and cells	Modules, EPC, rooftop solutions, and solar water	Solar modules, EPC services, Water Pumps

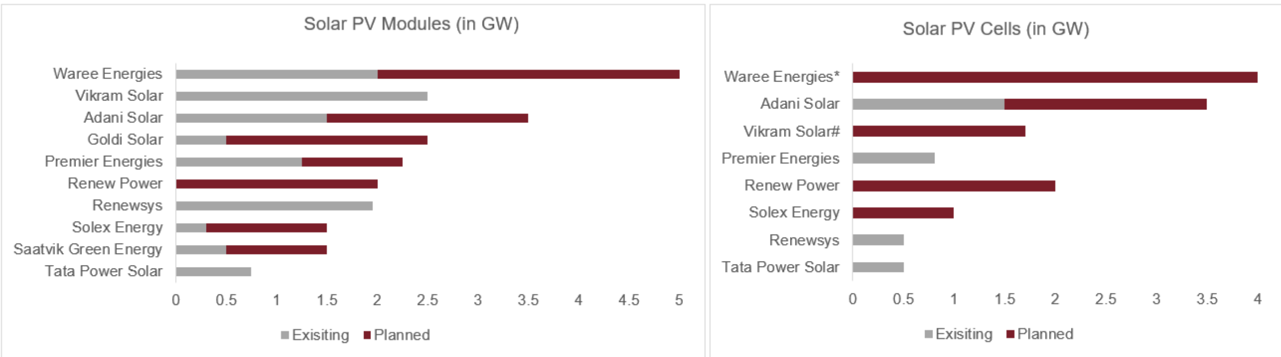
Parameter	Waaree Energies	Vikram Solar	Adani Mundra Solar	Premier Energies	RenewSys India	Emmvee Photovoltaic	Alpex Solar
	solutions, O&M Services, and solar water pumps					heater solutions	
Cumulative Installed capacity in EPC	600 MW	1057 MW	250 MW	650 MW	NA	NA	NA
Technology	Mono and poly crystalline PV modules, Mono PERC, Bifacial, Flexible modules, BIPV	Mono PERC, mono-facial & bifacial, poly-Si modules	Multi crystalline, Mono PERC and Bifacial modules	Polycrystalline Si cells, mono PERC, poly Si modules	Mono/Multi PERC, Bi-facial	Mono PERC, polycrystalline modules, bi-facial module	Monocrystalline, polycrystalline Modules

Source: *Company websites, MNRE ALMM Aug-2021, #Incl. Waaree Renewables NA: Not available, CRISIL Research*
**Vikram Solar and Premier Energies added some of the capacity after March-2021*

Capacity addition plan of Indian solar PV manufacturers

In order to boost domestic production and reduce imports, the central government initiated the PLI scheme with a target of 10 GW capacity addition as well as introduced BCD on imports. Considering the favourable environment, various Indian solar PV manufacturers have opted for capacity expansion. Approximately 12-14 GW module and approximately 7-8 GW cell capacity is expected to be added in the next 1-2 years.

Existing and planned capacity additions



Source: Company websites, Waaree: from Company, Vikram Solar#: Integrated 3 GW capacity, no breakup of wafer, cell, and module,1.3 GW commissioned, CRISIL Research*

To analyse competitiveness, productivity and efficiency, it is imperative to run a financial analysis of the company's books and then compare the performance standards with that of industry peers. Seven major players have been analysed and benchmarked.

Financial Summary of Module Manufacturers

Company	Fiscal	Operating income (Rs crore)	Revenue growth	OPM (%)	NPM (%)	Current ratio	Gearing (times)	Interest coverage
Waaree Energies Ltd.	FY20 (A)	2,026.80	26%	4.60%	2.20%	1.2	0.3	0.8
Vikram Solar Ltd.	FY20 (A)	1,519.60	-22%	7.70%	0.40%	1.3	1.4	1.2
Adani Mundra Solar Pvt Ltd.	FY20 (A)	2,355.30	69%	12.10%	1.50%	1	5.1	1.6
Premier Energies	FY20 (A)	643.70	24%	7.60%	4.40%	1.5	0.4	3.3
RenewSys India	FY20 (A)	808.10	48%	5.50%	3.20%	2.2	0.1	6.9
Emmvee Photovoltaic	FY21 (P)	363.90	-26%	16.40%	0.70%	1.3	1.6	2
Alpex Solar	FY21 (P)	138.10	50%	8.10%	3.90%	1.6	0.7	2.6

A: Audited, P: Provisional
Source: Annual accounts, consolidated, CRISIL Research

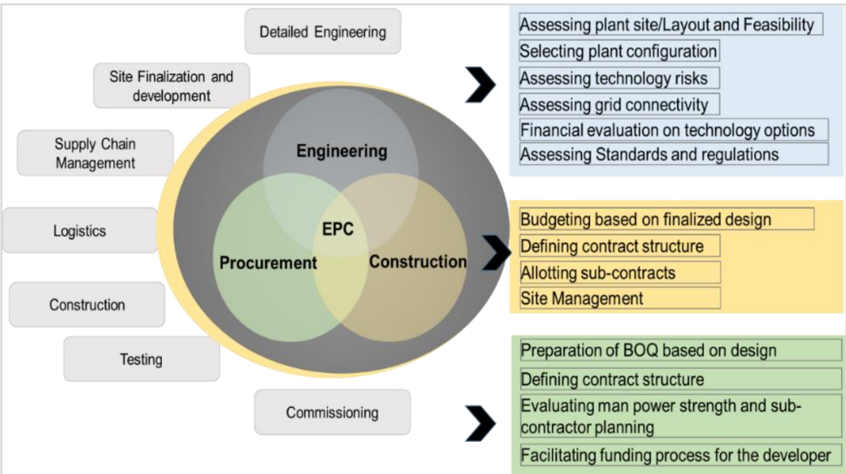
Most of the companies reported significant revenue growth; players with diversified businesses fared better. Operating profits are also sufficient to cover interest and finance costs. The current ratio for almost all the companies is more than 1, which suggests financial wellbeing and shows their ability to meet short-term obligations. Similarly, the interest coverage ratio is more than one, suggesting these companies can pay the interest due on outstanding debt. Fairly low gearing ratios show less dependence on debt, except Adani Mundra.

An assessment of the EPC solar market in India

EPC project: Turnkey versus balance of plant

Nations, majorly developing ones, have been investing heavily on large infrastructure projects through public as well as private investments. To ensure efficient and timely construction, it is imperative to have an effective model which ensures timely project execution, minimise construction delays and improve transparency. The EPC model is primarily used in construction and O&M of solar plants.

Checklist of an EPC model



Source: CRISIL Research

Under the turnkey project structure, the contractor holds full responsibility of design and execution of the works, including EPC. Therefore, the contractor makes the facility ready to be used at the turn of a key. The project must be delivered at a pre-determined time and pre-determined cost and the contractor must adhere to project specifications. In case of deviations, the contractor is liable to pay monetary compensation.

In case of balance of plant (BoP) structure, the entire project is broken into multiple packages with a major chunk contracted through EPC route and the rest through BoP. For a solar plant, solar modules and inverters constitute the maximum cost and may be contracted singularly whereas the supporting components and systems (wiring, switches, battery banks, power conditioners, mounting structures) may be procured from various manufacturers. Additionally, for the BoP project structure, the owner would have to appoint an external consultant or anoint the principal contractor for holistic project management and act as an interface between subcontractors.

Assessment of global solar market and identified geographies

Overview of the identified countries

US

In January 2018, the US imposed 30% anti-dumping duty on Chinese solar panels. In March 2018, the US also imposed 25% import tariff on solar cells and modules from China. As a result, imports of Chinese panels declined, and prices of domestically produced panels increased. The Office of the US Trade Representative has exempted bifacial and some other types of solar panels from the levy of 25% newly imposed safeguard duty.

S&P Global Market Intelligence's Power Forecast team projects almost 55,000 MW of new wind and 45,000 MW of new solar capacities to be installed between 2020 and 2030 to maintain pace with state Renewable portfolio standards (RPS) requirements alone. These forecast capacity additions do not account for corporate renewable demand and generic renewable builds that do not count towards RPS mandates. While challenges and uncertainties such as tariffs and federal legislative changes remain, falling costs and continued implementation of aggressive RPS make the outlook for renewables very bright throughout the next decade.

Canada

Canada's solar PV capacity is approximately 1% of total generation capacity. Most of the solar capacity in Canada is located in Ontario. In 2020, solar PV capacity in Canada stood at 3,325 MW, an increase from 16.7 MW in 2005. Despite the challenges posed by the pandemic, Canada managed to add at least 70 MW of solar PV capacity in 2020. The Government of Canada is striving to generate 90% of the country's electricity from non-emitting sources by 2030. Thus, the government supports the transition to a clean electricity future. As per Canada Energy Regulator, the share of coal-fired power generation is expected to decline from 16% in 2005 to less than 1% in 2040. Over the past few years, the federal government has put in place strict emissions requirements that will require coal-fired power plants to be shut down at the end-of-life or retrofitted with carbon capture and storage technology. These retiring coal-fired power plants will be replaced by renewable and low-carbon energy sources.

European Union (EU)

The EU is a political and economic union of 27 member states located primarily in Europe. The United Kingdom (UK) withdrew from the EU on January 31, 2020. The EU planned to have a 20% of its gross final energy consumption from renewable sources by 2020; this target was distributed between the EU member states with national action plans designed to plot a pathway for the development of renewable energies in each of the member states. As per the European Commission, the share of renewables in gross final energy consumption stood at 19.7 % in the EU-27 in 2019, compared with 9.6 % in 2004. This was largely possible due to legally binding targets for increasing the share of energy from renewable sources enacted by Directive 2009/28/EC on the promotion of the use of energy from renewable sources.

In 2019, RE sources made up 34% of gross electricity consumption in the EU-27. Out of this, wind and hydro power accounted for around 70% (35% each). Balance 30% was from solar power (13%), solid biofuels (8%) and other renewable sources (9%). In 2008, it accounted for just 1%. This means that growth in electricity from solar power has been dramatic, rising from just 7.4 TWh in 2008 to 125.7 TWh in 2019.

The RE Directive has set an ambitious 32% RE target for the EU by 2030, with a clause for a possible upwards revision by 2023. The EU has adopted guidance for EU countries while designing and reforming RE support schemes, including financial support and cooperation mechanisms for taking advantage of the RE potential in other countries. The EU market grew 8 GW in 2018 and an estimated 15-17 GW in 2019. The solar market is expected to continue to grow, making solar capacity a cornerstone of the clean energy transition.

Africa

Africa has abundant RE resources. From traditional hydro power, it is now moving towards solar (both off-grid as well as grid connected). With rapid decrease in costs, solar PV can be the solution for electrification of unelectrified areas. Various countries from the continent with good solar potential, have started to take policy initiatives, adopt targets and formulated regulatory frameworks to increase penetration of solar PV. Off-grid solar solutions have played a major role in providing energy access to millions of people in Sub-Saharan Africa. Policymakers, private investors and end users alike have embraced off-grid solar products as an affordable and sustainable solution for electricity access. The Integrated Resource Plan 2019, prepared by the Department of Mineral Resources and Energy, South Africa, has set targets of 11.5 GW for wind, 8 GW for solar PV and 600 MW for CSP by 2030, including addition of 5.6 GW in solar PV and 8.2GW of wind capacities over 2025-2030.

Middle East

With solar power tariffs reaching grid parity, solar power has been gaining significance in the Middle East region. Considerable population growth and increased industrialisation and developments have put stress on the existing power network, which has helped affordable renewable solutions find a comfortable place in the region. Various government policy supports as well as requirement of use of maximum RE sources, will drive the solar market in the region. However, delay in the commissioning of solar projects is a major worry.

Oman's National Energy Strategy aims to achieve 30% of electricity from renewable sources by 2030. The UAE aims to produce 75% of its energy from clean sources by 2050, with 7% by 2020 and 25% by 2030. The strategy is focused on five main pillars − infrastructure, legislation, funding, building capacities and skills − having an environment-friendly energy mix. The infrastructure pillar includes initiatives such as the Mohammad bin Rashid Al Maktoum Solar Park, which is the largest single-site solar energy project in the world, with a planned total production capacity of 5,000 MW by 2030, and a total investment of AED 50 billion. The capacity of solar power projects completed at the solar park is 413 MW. Dubai Electricity and Water Authority (DEWA) has projects of capacity 1,550 MW under construction and is working on other projects to increase the solar park's capacity to 5,000 MW by 2030.

In June 2019, the 1,177-MW Noor Abu Dhabi Solar PV Park started commercial operation. Further, in July 2020, Emirates Water and Electricity Company signed a PPA for the 2-GW Al Dhafra solar project in the UAE, which is likely to get commissioned in 2022.

Australia

The Australian RE industry has added significant capacity in the past five years. In 2016, just 17% of the country's electricity came from renewables. Now, this number is at 27%, around 36% of energy coming from wind and 48% from solar. During 2020, Australia added >3GW of small-scale solar capacity and approximately 2 GW of large-scale projects. Installed solar capacity stood at approximately 18 GW by the end of 2020. Rooftop solar under the Small-scale RE Scheme continued its strong growth in the first quarter of 2021 with 792 MW installed, up 28% against the first quarter of 2020. The Clean Energy Regulator now expects 3.5 to 4 GW of rooftop solar capacity to be added in 2021 across small- and mid-scale rooftop solar PV. This growth is driven by auctions as well as feed in tariffs ("**FiT**") offerings. Various provincial governments have also come up with their own schemes such as interest-free loans.

As per the Federal Government of Australia, its RE Target aims to achieve at least 33,000 GWh (or 23.5%) of total electricity from RE sources. In 2019, the Clean Energy Regulator confirmed that the Large-scale RE Target of 33,000 GWh will be achieved and is likely to be exceeded by 2020. The target was met, on a rolling 12-month basis, by the end of January 2021. Eligible generation from February 1, 2020, to January 31, 2021, reached an estimated 33,100 GWh, The RE Target has two schemes: Large-scale RE Target and Small-scale RE Scheme. The former encourages investment in large RE power plants through financial incentives in the form of tradable certificates, while the latter encourages small users to install small-scale systems. Driving forces behind the large-scale renewable projects include increased wholesale electricity prices, encouraging government policies, reduced cost of electricity generation from RE sources and improved access to finance.

Review of global solar PV capacity additions

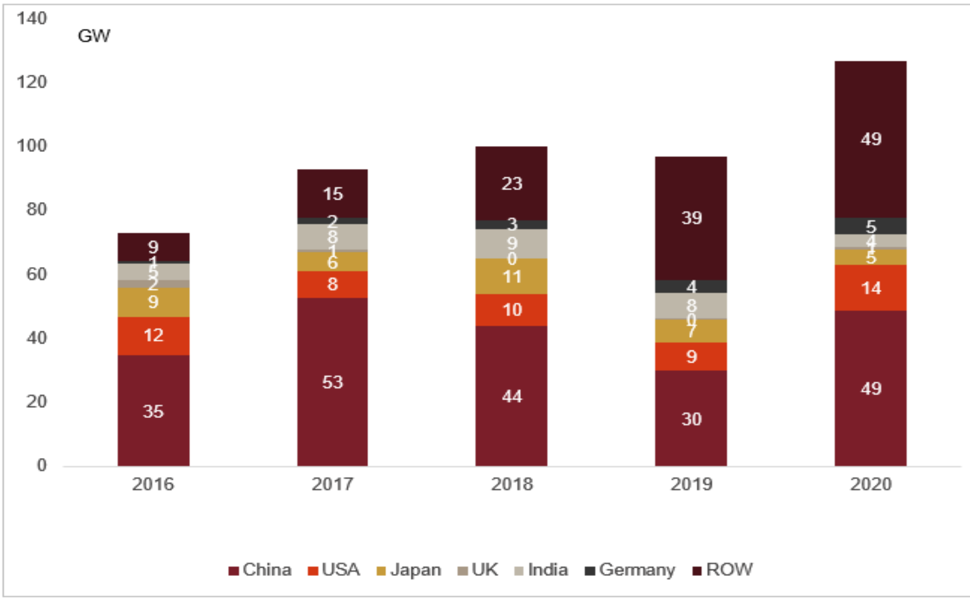
Impact of Greenhouse Gases ("**GHG**") and reducing their emissions is the base for shifting towards the clean RE from polluting fossil fuels. Solar PV is playing a major role in this shift. Apart from being a clean energy, the RE plants also help in curbing the air pollution, health hazards and access to electricity at affordable rates. Some of the key drivers for this shift are reducing RE generation costs, favourable policies, improved emphasis on energy security and access, and socio-economic benefits.

Concerns over climate change is at the heart of the energy shift towards RE. Utilisation of more and more RE will be key for decarbonisation. Various initiatives such as Kyoto Protocol, Paris agreement, COP 21 RE 100, ISA and subsequent favourable policy interventions have helped the RE segment to flourish. The transition towards RE is critical part of meeting the goals of the Paris Agreement, which aims to limit the rise of global average temperatures to well below 2 degrees Celsius, and ideally below 1.5 degrees Celsius above pre-industrial levels. Countries which are parties to the Paris Agreement are required submit their plans for climate action known as nationally determined contributions (NDCs). These NDCs represent the efforts, which need to be taken by each country to reduce national emissions. In line with these targets, various countries have provided the policy impetus to the solar PV industry through various mechanisms such as feed in tariffs, must run status, renewable purchase obligations, tax incentives, accelerated depreciation, regulatory framework, subsidies, production linked incentives etc. This has accelerated the growth of Solar PV globally.

With abundant sunlight, untapped potential and declining tariffs, it is expected that solar PV shall be leading technology in overall growth of RE going forward.

The global installed PV capacity increased approximately 22% year-on-year to 707 GW in 2020. Globally, around 127 GW of capacity was added in 2020, led by China, USA, Japan, and India which together added about 72 GW or around 57% of total capacity added during the year. In terms of cumulative installed capacity as of December 2020, China is the market leader with a total installed base of approximately 254 GW.

Annual solar capacity additions in major economies (GW)

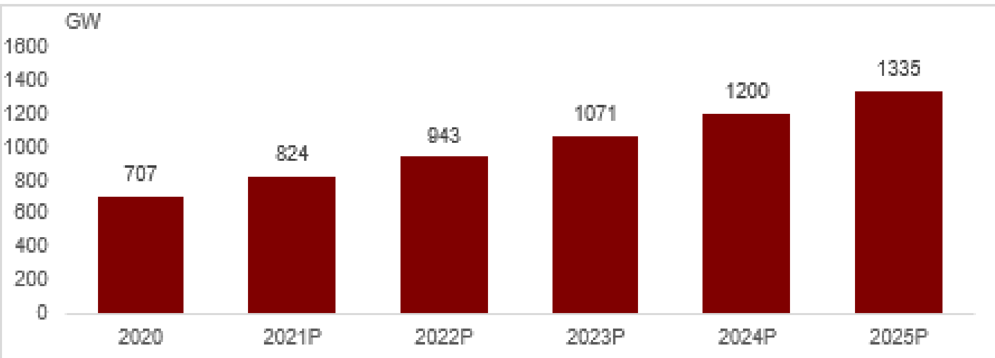


Note: The annual capacity addition numbers pertain to calendar year (Jan-Dec)
Source: IRENA Statistics 2020; CRISIL Research

Outlook 2020-2025: Global Solar Capacity Additions

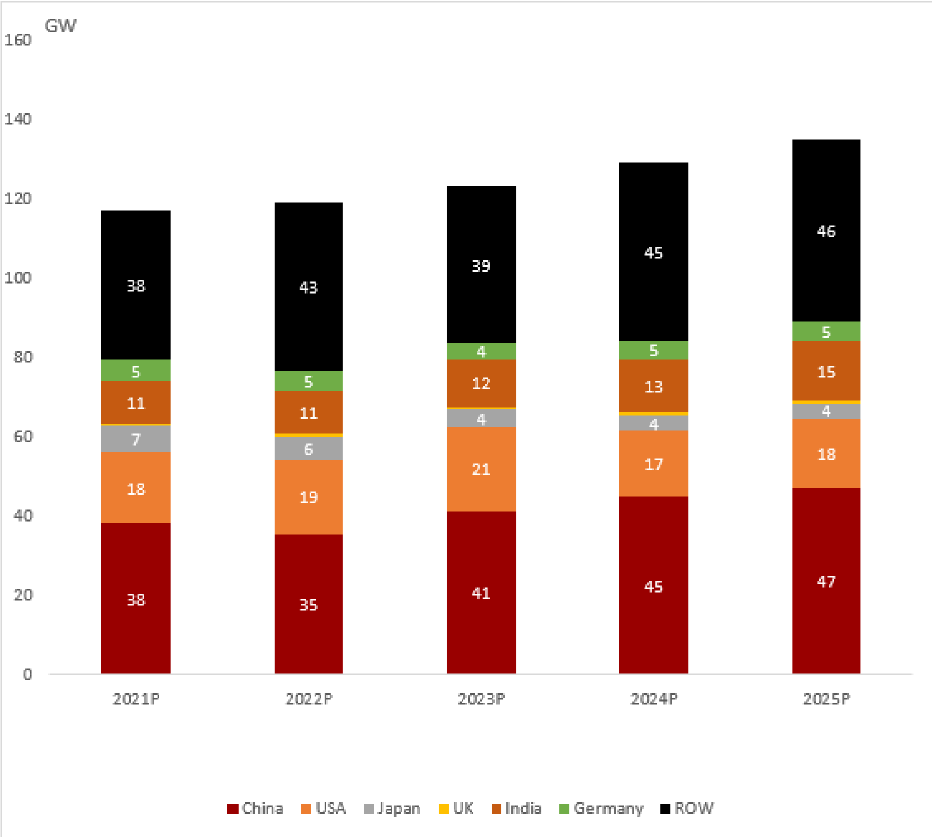
Globally, 127 GW of solar PV capacity was added in 2020, taking the installed capacity to 707 GW, a 22% increase over the previous year. China continued to be the market leader with a total cumulative solar capacity of 254 GW, USA second with 76 GW, followed by Japan with 67 GW.

Growth in global installed capacity base in solar PV over 2021-2025



Source: CRISIL Research; IEA Renewables 2020
(P): Projected

Projected Annual solar capacity additions in major economies



Source: CRISIL Research; IEA Renewables 2020
(P): Projected

In the last two years, COVID-19 severely disrupted solar manufacturing. Also, the pandemic reduced workforce, constrained the supply of critical components for PV modules, and made it almost impossible to ship completed products due to the closure or partial closure of transport routes and ports. Most large projects originally planned for completion in H1 2020 along with new projects planned to start in H2 2020 have been impacted.

Solar PV capacity addition rose by 30 GW in 2019, making China the leader in the solar PV market. The total capacity increased 17% on-year to 205 GW from a growth of 34% on-year to 175 GW in 2018. In 2019, the Chinese solar market began the process of transforming from a 100% subsidy-driven market to a 100% subsidy-free market by 2021. In 2021, the first year of its 14th Five-Year Plan (2021-2025), the Chinese solar market became 100% subsidy free. Overall, considering delayed policies and the far-reaching impact of COVID-19, China is expected to add around 100-130 GW during calendar years 2020-22. This would mean China will remain one of the largest solar market going forward; however, its pace would slacken compared with its previous growth.

While USA, Japan, and India are expected to remain steady on their course to adding solar capacities, there are some headwinds. In USA, capacity additions slowed down to 9.1 GW in 2019 from 10.1 GW in 2018. Capacity additions have been driven by tax credits, RPOs and loans and grants by government. A sharp decline in input prices also supported capacity additions. State mandates for renewable electricity have fuelled growth of utility-scale projects, the largest of which are materializing in western US, particularly in California, Arizona and Nevada. In 2021, tax credit for residential and commercial owners will be 22% of cost of the system and from 2022 onwards, owners of new commercial solar energy systems can deduct 10% of the cost of the system from their taxes. However, there is no federal credit for residential solar energy systems.

Japan added 6.3 GW of solar PV capacity in 2019 as against 11 GW in 2018. The growth in PV installations has been driven by introduction of FiT in July 2012. Moreover, a significant increase in utility and commercial installations has also led to healthy growth. Due to mounting subsidy burden, Japan is planning to move towards competitively bid auctions for renewable energy. Hence, solar projects above 2 MW would be subject to tariffs decided via competitive auctions and would not fall under the FIT scheme. The country's increasing focus towards renewable energy sources is expected to drive growth in the next few years.

Indian market has faced a temporary slowdown in the second half of Fiscal 2020, mainly due to several policy issues. These included additional taxation in the form of imposition of a safeguard duty, higher GST rate, and other policy issues such as cancellations/renegotiation of PPAs that adversely affected developer sentiments. Despite this, India remains a significant market for solar capacity additions, especially with the government's target of 100 GW by 2022.

Substantial solar PV capacities of approximately 366 GW are expected to be added over 2021 – 2025, driven by China, the US, and India. Other emerging markets in Africa, Latin America, Southeast Asia, and the Middle East have also started to grow past the approximately 1 GW level, further supporting future growth outlook. Key markets include Southeast Asia (countries like Malaysia, Vietnam, Indonesia, the Philippines, etc.), the Latin American region (Brazil, Venezuela, Chile, etc.), and the MENA region (Egypt, United Arab Emirates, Saudi Arabia), which are seeing an increasing focus on renewable energy.

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 29 and 322, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" on page 235.

Unless the context otherwise requires, in this section, references to "we", "us" and "our" refer to Waaree Energies Limited on a consolidated basis while "our Company" or "the Company", refers to Waaree Energies Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Solar Power Market in India" dated September 2021 (the "**CRISIL Report**") prepared and issued by CRISIL Limited, appointed by us on July 3, 2021 and exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate" on page 54. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 54.*

Overview

Our vision is to provide quality, cost-effective sustainable energy solutions across markets, and aid in reducing carbon foot-print paving way for sustainable energy thereby improving quality of life. We are one of the major players in the solar energy industry in India focused on PV module manufacturing, with an aggregate installed capacity of 2 GW as of March 31, 2021. (*Source: CRISIL Report*) As of August 31, 2021, on the basis of our aggregate installed capacity, we had a market share of 24% out of total enlisted capacity as per the Approved List of Models and Manufacturers (ALMM) for solar PV module manufacturing in India (*Source: CRISIL Report*).

Our PV modules are currently manufactured using both multicrystalline and monocrystalline cell technology. Our portfolio of solar energy products consists of the following PV modules: (i) multicrystalline modules; and (ii) monocrystalline modules, comprising Merlin flexible modules and monocrystalline passivated emitter and rear cell (Mono PERC) modules, which includes bifacial modules (Mono PERC) (framed and unframed), building integrated photo voltaic (BIPV) modules (Mono PERC).

We currently operate three manufacturing facilities comprising four factories in India: at Surat ("**Surat Facility**"), Tumb ("**Tumb Facility**") and Nandigram ("**Nandigram Facility**") in Gujarat, India. We are also in the process of setting up another manufacturing facility at Chikhli ("**Chikhli Facility**") in Gujarat, India where we are implementing our capacity expansion plans for PV modules as well as setting up of facilities for backward integration into solar cell manufacturing. The addition of 3 GW PV module manufacturing capacity to our existing 2 GW capacity, is expected to be operational by the end of Fiscal 2022, and the 4 GW solar cell manufacturing capacity is expected to be operational by the end of Fiscal 2023. We have over the years developed a track record of manufacturing quality and technologically advanced PV modules, involving trained and skilled manpower and work practices focused on innovation, and in-house project management team. We intend to follow an expansion strategy of executing regular capacity additions, as well as continuous upgradation of our manufacturing technology and processes driven by demand with a focus on incorporating Mono PERC and large sized silicon wafers technology as well as other new emerging technologies.

We believe our quality products and internationally recognized manufacturing facilities with ISO certifications enable us to target a marquee customer base. Certain of our manufacturing facilities are ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 certified. In addition, our modules are insured by external parties, which requires us to maintain high standards for insurance approval. We have also consistently received a tier-1 PV module maker rating from the Bloomberg New Energy Finance in Fiscal 2018, 2019, 2020 and 2021. We were the first and only Indian PV module manufacturing company to have our laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL). (*Source: CRISIL Report*) We ensure that our manufacturing facilities are regularly audited by reputed quality audit firms. We are also included under the Approved List of Models and Manufacturers (ALMM) list identified by the GoI, which enables us to participate in various government schemes aimed at developing the solar industry in India. We also manufacture Merlin flexible panels for sale to Merlin Solar Technologies.

Our sales and revenue channels include: (i) Direct Sales to Utilities and Enterprises; (ii) Franchisee Sales, which includes module sales through our extensive franchisee network focused on rooftop and MSME customer segments as well as franchisee EPC revenue; (iii) Export Sales, which includes module sales to international customers as well as international EPC revenue; and (iv) Other Revenue from Operations, which includes EPC services for domestic utilities and enterprise customers, O&M services, trading in ancillary products, export incentives, generation of electricity from renewable resources and scrap sale. In Fiscal 2021, our products were sold across India, and we made export sales to 19 international jurisdictions. As of June 30, 2021, we had 388 franchisees in 25 states and two Union Territories across India. In Fiscal 2021, Direct Sales to Utilities and Enterprises, Franchisee Sales, Export Sales and Other revenue from Operations represented 39.97%, 19.91%, 24.63% and 15.49%, respectively, of our total revenue from operations in such periods. We have over the years developed longstanding relationships with a marquee customer base. Some of our key clients or customers in the domestic utility and enterprise segment include ReNew Power, ACME, Hero Solar, Mahindra Susten, Essel Infra, AMP Energy, Sukhbir Agro Energy, Solarworld Energy, Rays Power Infra. We have successfully developed a diverse customer base globally, including customers in the United States, Canada, Italy, Turkey and Vietnam. Key international clients include Central 40 and Novel Energy.

The table below sets forth certain key operational and financial metrics for the periods indicated:

Key Performance Indicators	**As of and for the financial year ended March 31,**		
	2019	**2020**	**2021**
Revenue from operations (₹ million)	15,910.35	19,957.83	19,527.76
• Direct Sales to Utilities and Enterprises(1)	9,713.82	12,844.38	7,805.31
• Franchisee Sales(2)	2,198.41	3,148.83	3,887.60
• Export Sales(3)	2,178.97	2,285.65	4,809.32
• Other Revenue from Operations(4)	1,819.16	1,678.98	3,025.53
Other Income (₹ million)	216.95	255.29	405.94
Total Income (₹ million)	16,127.31	20,213.12	19,933.70
Profit for the Year (₹ million)	823.40	390.21	481.90
EBITDA(5) (₹ million)	1,653.59	1,177.78	1,254.23
EBITDA Margin(6) (%)	10.25%	5.83%	6.29%
Debt to Equity Ratio(7)	0.42	0.42	0.83
Debt to EBITDA Ratio(8)	1.52	0.93	0.43
Return on Average Capital Employed(9) (%)	23.23%	22.71%	18.43%
PAT Margin(10) (%)	5.11%	1.93%	2.42%
ROE(11) (%)	32.07%	14.00%	14.26%
ROCE(12) (%)	33.47%	21.29%	15.49%

(1) Direct Sales to Utilities and Enterprises refers to our sales to utilities and enterprise customers.

(2) Franchisee Sales includes module sales through our franchisee network focused on rooftop and MSME customer segments as well as franchisee EPC revenue.

(3) Export Sales includes module sales to international customers as well as international EPC revenue.

(4) Other Revenue from Operations includes EPC services for domestic utilities and enterprise customers, O&M services, trading in ancillary products, export incentives, generation of electricity from renewable resources and scrap sale.

(5) EBITDA has been calculated as profit for the year before exceptional items and taxes plus finance cost, depreciation and amortization.
(6) EBITDA margin has been calculated as EBITDA divided by total income.
(7) Debt to equity ratio has been calculated as total borrowings (including current maturities of long-term debt) divided by total equity (excluding non-controlling interest) (less)/add (deferred tax assets)/deferred tax liability (net).
(8) Debt to EBITDA ratio has been calculated as total borrowings (including current maturities of long-term debt) divided by EBITDA for the relevant fiscal year/ period.
(9) Return on average capital employed has been calculated as profit before exceptional item and tax plus finance costs divided by average of opening and closing capital employed calculated as total equity (excluding non-controlling interest) add non-current liability.
(10) PAT Margin has been calculated as profit for the year/ period divided by total income
(11) Return on equity has been calculated as net income (owners share) divided by total equity (excluding non-controlling interest)
(12) Return on capital employed has been calculated as profit before exceptional item and tax plus finance cost divided by total equity (excluding non-controlling interest) add non-current liability.

Strengths

Our key competitive strengths include the following: (i) Leading solar PV module manufacturer in India well positioned to capture strong industry tailwinds and growth prospects for solar energy; (ii) Marquee customer base in India and globally; (iii) Deep penetration into the rooftop segment through our pan-India franchisee network; (iv) Consistent track record of financial performance leading to strong balance sheet position; (v) High quality manufacturing with stringent quality control and global accreditations; and (vi) Experienced senior management team with a committed employee base.

Leading solar PV module manufacturer in India well positioned to capture strong industry tailwinds and growth prospects for solar energy

We are one of the major players in the solar energy industry in India focused on PV module manufacturing, with an aggregate installed capacity of 2 GW as of March 31, 2021. (*Source: CRISIL Report*) As of August 31, 2021, on the basis of our aggregate installed capacity, we had a market share of 24% out of total enlisted capacity as per the Approved List of Models and Manufacturers (ALMM) for solar PV module manufacturing in India (*Source: CRISIL Report*). We are in the process of further enhancing our manufacturing capabilities, by expanding our existing capacity by an additional 3 GW module manufacturing capacity that is expected to be operational by the end of Fiscal 2022.

As a leading manufacturer of PV modules in India, we believe that our 14 years of experience, (*Source: CRISIL Report*) deep market penetration together with significant expansion plans for our module manufacturing as well as backward integration into manufacturing of solar cells, enable us to be well-positioned to capture the growing demand for solar energy products domestically and internationally.

India's solar capacity addition was approximately 36 GW over Fiscal 2015 to Fiscal 2021 and is expected to continue growing in line with the solar capacity targets set by GoI to install 175 GW of renewable energy capacity by December 2022, which includes 100 GW from solar. *(Source: CRISIL Report)*.

Such growth is expected to be driven by a variety of factors including fiscal and regulatory incentives, improvement in technology and low capital costs. Some of the key regulations that are favorable for the growth of our business are as follows:

- Safeguard duty (SGD) which was imposed in July 2018 on import of solar cells and was applicable until July 2021, is being replaced with significantly higher basic customs duty (BCD) of 40% BCD on solar modules and 25% BCD on solar cells, commencing April 1, 2022. (*Source: CRISIL Report*) The imposition of such high BCD on imported solar cells and modules is expected to significantly improve the competitiveness of Indian cell/ module manufacturers.

- We are one of the manufacturers in India on the Approved List of Models and Manufacturers (ALMM) as released by the MNRE. We have also applied to the IREDA for approval for setting up manufacturing facilities under the PLI scheme, which aims to promote manufacturing of high efficiency solar PV modules in India and reduce dependence on imports in renewable energy. The financial outlay for the PLI scheme is ₹45,000 million over a five-year period and is aimed at increasing domestic production by 10 GW. (*Source: CRISIL Report*)

In addition, increasing global demand for solar capacity additions and our export sales in these segments are also expected to benefit from various international policies including tariffs and anti-dumping duties on solar cells and modules produced in China by key export markets such as the United States.

Marquee customer base in India and globally

We have over the years established strong relationships with a large number of marquee customers across India and globally. In Fiscal 2019, 2020 and 2021, Direct Sales to Utilities and Enterprises was ₹9,713.82. million, ₹12,844.38 million and ₹7,805.31 million and represented 61.05%, 64.36% and 39.97%, respectively, of our total revenue from operations in such periods. Our utility and enterprise clients in India include ReNew Power, ACME, Hero Solar, Mahindra Susten, Essel Infra, AMP Energy, Sukhbir Agro Energy, Solarworld Energy, Rays Power Infra.

In addition to our large utility and enterprise customer base in India, we have successfully developed a strong customer base globally and our products are sold globally, including to customers in the United States, Canada, Italy, Turkey and Vietnam. In Fiscal 2019, 2020 and 2021, Export Sales was ₹2,178.97 million, ₹2,285.65 million and ₹4,809.32 million and represented 13.70%, 11.45% and 24.63%, respectively, of our total revenue from operations in such periods. Our international clients include Central 40 and Novel Energy. In addition, we also manufacture Merlin flexible panels for sale to Merlin Solar Technologies.

We believe our quality products, internationally recognized manufacturing facilities with ISO certifications, and NABL accredited laboratory enable us to target a marquee customer base. We are also included under the Approved List of Models and Manufacturers (ALMM) identified by the GoI, which enables us to supply our products to several marquee customers.

We have over the years developed a wide customer base. Our key customers may vary between fiscal periods. In Fiscal 2019, 2020 and 2021, our top 10 customers (excluding sales to Promoter Group companies) accounted for 51.61%, 42.62% and 42.78%, respectively, while our largest customer accounted for 16.95%, 9.23% and 14.07%, respectively, of our total revenue from operations in such periods. We have also recently received two large contracts, each for approximately 1,000 MW, from ReNew Power and another solar energy project developer in India, which are expected to make a significant contribution to our results of operations in Fiscal 2022 and Fiscal 2023. As we further expand our module manufacturing capacities and enhance the brand in India and globally, we continue to develop new customer relationships in a wider range of geographic markets to further decrease single market dependency.

Deep penetration into the rooftop segment through our pan-India franchisee network

We have a pan-India franchisee network focused on the rooftop and MSME customer segments. As of March 31, 2019, 2020, and 2021, our franchisee network consisted of 260, 315 and 355 franchisees, respectively, while as of June 30, 2021, we had 388 franchisees across India. Our franchisees deal only with products authorised by us during the term of such franchisee arrangement. We have made significant investment in terms of training, resources and support provided to our franchisees over the years and developed strong relationships with these franchisees. Our extensive franchisee network across India increases visibility and reach of our products through direct customer interaction and distribution by such franchisees. This deep penetration across metros, large cities, towns as well as rural areas developed over several years present significant entry barriers for other players in penetrating the rooftop and MSME customer segment. Availability of local contact, through an appointed franchisee, is very important in reaching out to residential, commercial, and industrial consumers who generally lack the technical knowledge of complex products such as modules. (*Source: CRISIL Report*) We have established our franchisee network gradually and strategically through the bottom-up approach with prudent use of time, cost and resources. Our focus on supporting our franchisees succeed in their business by providing adequate training for installation, maintenance and post-sales support has enabled us to develop a large network of franchisees across India to target the local rooftop and SME customer segments.

The rooftop segment involves better pricing terms and margins compared to utility and enterprise sales. We have also experienced relatively stable demand growth in the rooftop segment through our franchisee network. Approximately 8 GW to 9 GW of projects are estimated to be commissioned under the solar rooftop segment over the next five years (2022 to 2026) *(Source: CRISIL Report).* We believe that by strategically focusing on the rooftop segment through a deep-rooted localized franchisee network, we can benefit from a relatively untapped market opportunity for sustainable long-term growth.

Our franchisee network is also well integrated with our marketing and promotional activities, and helps in strengthening our brand image. Our franchisees display advertising boards for our products at their outlets to attract consumers. We are in the process of identifying and training a large community of local electricians and construction / installation contractors that can promptly and efficiently support our franchisees. We have a well-integrated system to manage inventory and effectively service our franchisees. These engagements offer insights on emerging rooftop and SME customer trends that we then leverage to strategically focus on particular regions or communities.

Consistent track record of financial performance leading to strong balance sheet position

Our focus on continuous efficiency improvements, improved productivity and cost rationalization has enabled us to deliver consistent and strong financial performance. We believe we have a strong balance sheet, and have been able to maintain a low debt position. As of March 31, 2021, we had total long-term borrowing (including current maturities) of ₹2,348.39 million, while our interest coverage ratio (EBITDA divided by interest expense) was 5.57 times.

Our revenue from operations has grown at a CAGR of 10.79% from ₹15,910.35 million in Fiscal 2019 to ₹19,527.76 million in Fiscal 2021, while our net worth has grown at a CAGR of 15.94% from ₹2,564.19 million in Fiscal 2019 to ₹3,446.90 million in Fiscal 2021, despite the impact of the COVID-19 pandemic in Fiscal 2021. We believe we have prudently utilized our resources, which has enabled us to fund our expansions through a mix of internal accruals and debt. We believe that our strong operational and financial performance will allow us to take advantage of the growth opportunities in the solar energy industry in India.

High quality manufacturing with stringent quality control and global accreditations

Our manufacturing facilities include NABL accredited laboratory, and an automated production line. Our manufacturing processes and stringent quality controls has enabled us to achieve various global accreditations for our solar products across India and globally. We manufacture products with advanced technology such as Mono PERC that have higher efficiency than multicrystalline modules. We are in the process of setting up our additional 3 GW manufacturing capacity for PV modules at Chikhli based on latest technologies for higher efficiency large-sized PV silicon wafer (G1, M6, M10, M12), and also plan to further upgrade our existing 2 GW capacity. In addition, we expect to gradually phase out multicrystalline modules due to demand for other advanced products, and focus on increasing manufacture of Mono PERC modules and incorporating large sized silicon wafers technology as well as other new emerging technology which provides improved efficiency and durability.

Our production lines follow strict process control guidelines and international industry standards and practices. We possess various national and international certifications. For instance, certain of our manufacturing facilities are ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 certified. We ensure that our manufacturing facilities are regularly audited by reputed quality audit firm. We have also received Tier-1 rating from Bloomberg New Energy Finance in Fiscal 2018, 2019, 2020 and 2021.

We perform stringent internal and external quality tests on our PV modules, which leads to high product standards and global acceptance. Our laboratories routinely conduct various tests including outdoor exposure test, damp heat test, static mechanical load test, hail test, humidity freeze and thermal cycling test, salt mist corrosion test, ignitability test, peel test, cut susceptibility test, dry heat conditioning test, module breakage test, potential induced degradation test, light induced degradation test and UV preconditioning. Our laboratories are also IEC CB-CTF certified and our laboratory in Tumb is NABL approved in the field of testing. This enables us to provide appropriate NABL certification for our products and not depend on external testing facilities identified by customers. In addition, our modules are insured by external parties, which requires us to maintain high standards for insurance approval. We also manufacture Merlin flexible panels for sale to Merlin Solar Technologies.

Experienced senior management team with a committed employee base

We have an experienced management team with extensive industry experience. Our Chairman, Managing Director and one of our Promoters, Mr. Hitesh Chimanlal Doshi has been overseeing our Company's financial performance, investments and other business ventures, providing strategic advice to the Board, developing and executing our Company's business strategies and establishing policies and legal guidelines. He has over 21 years of experience in the engineering industry. Mr. Virenkumar Chimanlal Doshi, one of our Promoters and Whole-time Director, has been overseeing the engineering, procurement and construction of the solar projects of our Company, its Subsidiaries and other companies within the group He has over 14 years of experience in the engineering industry. Mr. Hitesh Pranjivan Mehta, our Whole-time Director, is a qualified chartered accountant with more over 22 years of experience in the field of engineering, solar and oil industries, and is responsible for leading our Company's short and long-term strategy and setting strategic goals.

Our Board of Directors also includes executive and non-executive Directors, including independent directors, with extensive experience from reputable financial institutions who bring in significant business expertise including in the areas of manufacturing, sales and marketing. We have a well-qualified senior management team with extensive experience in the renewable energy industry, which positions us well to capitalize on future growth opportunities. The heads of functional groups enhance the quality of our management with their specific and extensive industry experience.

We are supported by our committed employee base and believe we have a mutually beneficial relationship with our employees. We believe this helps in containing our operating expenses, while consistently maintaining our drive for growth. We have stringent recruitment policies and hire qualified individuals. As of June 30, 2021, we had 503 full-time employees.

Business Strategies

Our key business strategies include the following: (i) Implement strategic backward integration through development of adequate solar cell manufacturing capacities; (ii) Scale franchisee network to further consolidate leadership position in retail and MSME rooftop segment; (iii) Maintain leadership position in Indian utility and enterprise modules sales market with continued capacity expansion; (iv) Focus on technology upgrades to manufacture high quality modules and (v) Increase sales to international customers.

Implement strategic backward integration through development of adequate solar cell manufacturing capacities

In order to reduce our dependence on imported solar cells and third-party solar cell suppliers in India, we intend to implement comprehensive backward integration measures by commencing manufacture of solar cells. We intend to set up solar cell manufacturing capabilities at our Chikhli facility with an aggregate 4 GW solar cell capacity. The solar cell manufacturing units will be added in phases, with 2 GW capacity expected to become operational by the second quarter of Fiscal 2023, and the remaining 2 GW capacity by end of Fiscal 2023. All solar cells manufactured by us are planned to be used for manufacture of our PV modules. We believe these backward integration measures will allow us to reduce our dependence on third party solar cell suppliers, better manage our material inventory with respect to solar cells, and also contribute to higher margins.

Backward integration into manufacture of solar cells is a significant eligibility criteria to qualify for the benefits under the PLI scheme introduced by the GoI, which requires that the modules are manufactured with domestically manufactured cells and provides a variety of incentives apart from also enabling the eligibility to supply modules for government schemes that have a mandatory domestic content requirement.

In addition, our backward integration initiatives and ability to manufacture high quality solar cells in a cost effective manner will allow us to mitigate the impact of the basic customs duty of 25% on imported solar cells proposed to be imposed by the GoI with effect from April 2022.

Scale franchisee network to further consolidate leadership position in retail and MSME rooftop segment

We are one of the largest rooftop segment player in India with a pan-India franchisee network focused on the rooftop and MSME customer segments. As of June 30, 2021, we had 388 franchisees across India. Approximately 8 GW to 9 GW of projects are estimated to be commissioned under the solar rooftop segment over the next five years (2022 to 2026). (*Source: CRISIL Report)*.

We have a strong franchisee presence across most regions in India, and believe that scaling our franchisee network will further strengthen our deep, localized, pan-India coverage, thereby further increasing market penetration in the rooftop and MSME customer segment and further expand our market share in the rooftop segment.

Our relationship with our franchisees are not simply that of distributorship or dealership; we partner closely with our franchisees, who operate as end-to-end product and service providers for the rooftop and MSME segments. We continue to make significant investment in terms of providing training, resources, customer support as well as installation, maintenance and post-sales related support to our franchisees. We continue to further scale our franchisee network and include additional cities, towns and rural areas to our distribution network to further consolidate our leadership position in this customer segment, and develop the retail market for solar rooftop business, comprising MSMEs and retail customers.

With the success of our franchisee network, we intend to significantly build out our franchisee network across India. We intend to strategically focus on states with high growth potential for rooftop segment, particularly Delhi, Gujarat, Maharashtra, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu. These states have a high industrial and commercial load, with high distribution company tariffs, in states that have introduced clearly defined regulations for net/gross metering regulations and are regions with higher potential for generating solar energy due to various factors including plant load factor and irradiance. (*Source: CRISIL Report*) The average rates for rooftop segment are higher than the utility and enterprise sales. Further, the higher commercial and industrial distribution company tariffs may provide favorable economics and lead to significant traction in the rooftop segment for commercial and industrial customers. (*Source: CRISIL Report*)

We are in the process of identifying and training a large community of local electricians and construction / installation contractors that can promptly and efficiently support our franchisees with the installation and maintenance of rooftop solar panels. We believe our experience in the retail and MSME segment through our franchisee network, together with our strong localized, ground level penetration across India will continue to act as a strategic entry barrier for most of our competitors as well as for Chinese imports in the retail segment.

Maintain leadership position in Indian utility and enterprise modules sales market with continued capacity expansion

We are one of the major players in the solar energy industry in India focused on PV module manufacturing, with an aggregate installed capacity of 2 GW as of March 31, 2021. (*Source: CRISIL Report*) We are in the process of further expanding our manufacturing capacities, by setting up an additional 3 GW PV module manufacturing capacity that is expected to be operational by the end of Fiscal 2022. We are in the process of implementing the expansion projects in the following parts:

	Existing	**Part 1(a)**	**Part 1(b)**	**Part 2(a)**	**Part 2(b)**	**Total**
Module capacity (GW)	2.00	2.00	1.00	-	-	5.00
Solar cell capacity (GW)	-	-	-	2.00	2.00	4.00
Expected date of commercial operations		Third quarter of Fiscal 2022	Fourth quarter of Fiscal 2022	Second quarter of Fiscal 2023	Fourth quarter of Fiscal 2023	

In addition, we have made an application to IREDA to qualify as a manufacturer for setting up manufacturing facilities for high efficiency modules under the PLI scheme. In the event that such approval is received from IREDA, we intend to set up an additional 2 GW high efficiency module manufacturing facility at Chikhli or another location determined by us (in addition to the capacity expansion plan specified above). Further, if such approval is received, our management may consider future plans relating to our existing 2 GW module manufacturing capacity.

We also intend to streamline our operations and develop our integrated manufacturing facility at Chikhli. We have acquired the land at Chikhli for our integrated manufacturing facilities. We continue to focus on further integrating our operations and benefit from economies of scale, and improve operating margins.

We continue to adopt best practices and standards across our manufacturing facilities, drawing on our management's expertise and experience in plant management. The management team closely oversees our operational performance against established and target metrics and take appropriate action as required. By planning for a high utilization rate we strive to continue reducing the unit cost of production. With the commissioning of additional capacities, we expect to achieve economies of scale and gain increased negotiating power on procurements. Finally, we continue to realize cost savings through centralized deployment and management of engineering, maintenance, accounting and other support functions. However, implementation of our strategy to reduce costs and streamline operations is dependent on our ability to manage our growth effectively.

In Fiscal 2019, 2020 and 2021, Direct Sales to Utilities and Enterprises represented 61.05%, 64.36% and 39.97%, respectively, of our total revenue from operations in these periods. We intend to continue to leverage the significant growth opportunities in the Indian PV module industry, targeting large government and private projects, and utility clients as well as other enterprise clients.

Focus on technology upgrades to manufacture high quality modules

We intend to continue to upgrade the technology in our existing manufacturing facilities, gradually phasing out production of multicrystalline modules driven by demand for advanced technologies and products and focus on increasing our manufacturing of higher efficiency Mono PERC modules as well as other modules with emerging technology. We are in the process of setting up our additional 3 GW manufacturing facility at Chikhli based on latest technologies for large-sized PV silicon wafer (G1, M6, M10, M12), and also plan to further upgrade our existing 2 GW capacity to such advanced technology. In addition, we produce bifacial modules using Mono PERC technology. We also manufacture Merlin flexible panels for sale to Merlin Solar Technologies.

In addition to upgrading our existing PV module manufacturing technology and infrastructure, we also continue to invest in modernizing our manufacturing facilities. We also intend to continue to focus on reducing operating costs and improve capacity utilization rates and plant operating performance by investing in technologically advanced equipment and methods and by devoting resources to modernize and upgrade manufacturing facilities. We believe that our focus on upgradation, automation, modernization and preventive maintenance of plants and equipment increase their useful life, improve their efficiency and operating performance and reduce need for future capital expenditure. We continue to evaluate front-line technologies and resultant benefits with a view to maintain competitive advantages.

Increase sales to international customers

We have successfully developed a marquee customer base globally, including customers in the United States, Canada, Italy, Turkey and Vietnam. In Fiscal 2019, 2020 and 2021, Export Sales contributed 13.70%, 11.45% and 24.63% respectively, of our total revenue from operations in such periods. We intend to continue to expand our export sales. Compared to direct module sales to utilities and enterprises segments, module exports tend to have better pricing terms and profit margins. We believe increased export sales will also lead to greater diversification and margin improvements.

We also intend to leverage on our high quality products and manufacturing capability to meet the increasing global demand for solar capacity additions and take advantage of various international policies including tariffs and anti-dumping duties on solar cells and modules produced in China by key export markets such as the United States, making us more cost effective and increasing demand.

We intend to further expand our sales to international customers, particularly in regions such as North America, South East Asia and the European Union with high technology products such as flexible modules and floating solar modules.

Our Business Operations

Product Portfolio

Our PV modules are currently manufactured using both multicrystalline and monocrystalline cell technology. Our portfolio of solar energy products consists of the following PV modules: (i) multicrystalline modules; and (ii) monocrystalline modules, comprising Merlin flexible modules and monocrystalline passivated emitter and rear cell (Mono PERC) modules, which includes bifacial modules (Mono PERC) (framed and unframed), building integrated photo voltaic (BIPV) modules (Mono PERC).

We manufacture and sell our PV modules under the "*Waaree*" brand. Our products are differentiated on the basis of module technology and type as well as cell size and sold across different ranges.

PV Modules

Our PV modules are currently manufactured using multicrystalline or monocrystalline technology.

Multicrystalline technology. Multicrystalline technology is the process of using multiple crystals in a single solar cell, which are essentially silicon wafers formed by making very thin slices of silicon boules or ingots.
Monocrystalline technology. Monocrystalline technology is an advanced technology used to increase the efficiency of standard solar modules. The electrons that form an electric current have greater room to move because the cells are made up on a single crystal. As a result, they are significantly more efficient. They are also

regarded as a high-end solar product, is space efficient and long lasting, and has a more streamlined appearance. Some of our products rely on monocrystalline passivated emitter and rear cell (Mono PERC) technology.

While currently our product mix is an equal part of multicrystalline and monocrystalline technology based products, we intend to increase production of monocrystalline modules driven by market demand and expect to completely upgrade our module manufacturing to monocrystalline and other emerging technology in the future.

- ***Monofacial modules (Multicrystalline and Mono PERC)***

Monofacial modules have only one side of solar cells collecting and converting light to electricity. They do not require reflective surfaces and special mounting equipment in its installation, and it is sufficient that the solar cells are facing the sun. It is more cost-effective at latitudes below 40° for low solar reflectivity. We manufacture monofacial modules with both multicrystalline or mono PERC technology in different sizes and wattage. Mono PERC modules are made by adding a passivated layer in the rear of the cell. In doing so, the passivated layer of the cell is able to reflect the sun’s photons back at the solar panel rather than allowing the same to pass through the panels, allowing more light to be absorbed by the panels thereby leading to increased efficiency.

- ***Bifacial modules (Mono PERC)***

Bifacial modules have solar cells on both sides of the panel which increases the efficiency of the module particularly with the use of Mono PERC technology for its manufacture. This ensures that light reflected back at the panel by the passivated layer can be absorbed by the modules not facing the sun. These modules therefore possess higher efficiency rating, and are more suitable and cost effective at latitudes beyond 40°. We manufacture both framed and unframed bifacial modules.

- ***Building integrated photo voltaic (BIPV) modules (Mono PERC)***

Building integrated photo voltaic (BIPV) modules are used to replace conventional building materials in parts of the building envelope such as the roof, skylights or facades and we manufacture them with Mono PERC technology and are ideal for green building applications. The module allows for maintained illumination level of light, active noise cancellation and controlled thermal gain lowering its heating and cooling requirement.

- ***Merlin flexible modules***

We also manufacture Merlin flexible panels for sale to Merlin Solar Technologies.

The following tables sets forth certain information relating to our current product range, module type and technology, and cell size:

Module Technology and Type	Output Voltage (in Watt) & Number of Cells	Cell Size (in units mm)
Small modules – Multicrystalline/ Mono PERC	40-90 W	Cut cell
	100 - 235 W	
Monofacial modules – Multicrystalline	250-295 W; 60 cell	157 x 157
	320-350 W; 72 cell	157 x 157
	325-350 W;1 44 cell	157 x 157
Monofacial modules – Mono PERC	315-330 W; 60 cell	158.75 x 158.75 (G1)
	380-395 W; 72 cell	158.75 x 158.75 (G1)
	380-400 W; 144 cell	158.75 x 158.75 (G1)
	420-455 W; 144 cell	166 x 166 (M6)
	515-545 W; 144 cell	182 x 182 (M10)
	580-600 W; 120 cell	210 x 210 (M12)
	645-655 W; 132 cell	210 x 210 (M12)
Bifacial Modules – Mono PERC	380-395 W; 72 cell	158.75 x 158.75 (M2.5)
	380-400 W; 144 cell	158.75 x 158.75 (M2.5)
	420-455 W; 144 cell	166 x 166 (M6)
	515-545 W; 144 cell	182 x 182 (M10)

Module Technology and Type	Output Voltage (in Watt) & Number of Cells	Cell Size (in units mm)
	580-600 W; 120 cell	210 x 210 (M12)
	645-665 W; 132 cell	210 x 210 (M12)

EPC and O&M Solutions

Leveraging our expertise in manufacturing high quality solar modules and substantial experience in the solar industry, we provide EPC solutions as a contractor. Our EPC solutions include setting up of ground mount, rooftop and floating solar projects across our network in association with other Indian and international partners. We have over 10 years of experience as an EPC contractor with a track record of 600 MW of projects commissioned, including over 1,800 rooftop projects commissioned.

Some of our commercial and industrial ground mount solutions have been provided for clients such as Essel Infra Projects Limited. Similarly, we have also provided solar PV systems, that allow panels to be installed on unused areas such as over water, converting unutilized areas in profitable generators of renewable energy, to reputable government companies. We have provided rooftop solar solutions for residential, commercial and industrial and institutional projects across India.

We possess strong industry experience in O&M services, with over 238 MW O&M contracts of solar power plants assets. We have a dedicated technical team assisting in improving customer experience and we leverage technology based data analytics, technical audits, consulting and research and development to improve overall plant efficiency, continually achieve improved outcomes.

Manufacturing Facilities

We currently operate three manufacturing facilities comprising four factories in India: the Surat Facility, the Tumb Facility and the Nandigram Facility, all in Gujarat, India. We are also in the process of setting up another manufacturing facility at Chikhli (Chikhli Facility) in Gujarat, India where we are implementing our capacity expansion plans for PV modules as well as setting up of facilities for backward integration into solar cell manufacturing. All of our manufacturing facilities are supported by infrastructure for storage of raw materials, manufacture of our products (PV modules), storage of finished goods, together with quality control mechanisms. Our module manufacturing lines can produce both multicrystalline and monocrystalline modules. As of March 31, 2021, our aggregate installed manufacturing capacity for PV modules was 2 GW. Our existing manufacturing facilities at Surat, Tumb and Nandigram are equipped to manufacture all our PV modules. The power requirements for our manufacturing facilities are met through the local state power grid, and power back-ups, while water is procured from the municipality, industrial estate authorities and water tankers.

The following table sets forth the installed capacity information relating to our manufacturing facilities for the periods indicated:

Manufacturing Facility	Installed capacity* as on March 31,		
	2019(1)	2020	2021(2)
Surat Facility(3)	500 MW	500 MW	500 MW
Tumb Facility	1000 MW	1000 MW	1000 MW
Nandigram Facility	NA	NA	500 MW

**As certified by M.R. Prajapati, Chartered Engineer, by certificate dated September 16, 2021.*

(1) We had added 1 GW PV module manufacturing capacity at our Tumb facility with effect from August 1, 2018, to increase our total installed capacity from 500 MW to 1.5 GW.

(2) We completed, with effect from March, 2021 through business acquisition on a slump sale basis, acquisition of 500 MW PV module manufacturing capacity in Nandigram, Gujarat, from Waaree Renewables Private Limited, to increase our total installed capacity from 1.5 GW to 2 GW.

(3) Our Surat facility includes two separate factories.

Chikhli Facility

The manufacturing facility at Chikhli in Gujarat is under construction and expected to commence operations in phases from Fiscal 2022. On commencement of operations at the Chikhli facility, we intend to transition our existing equipment and manufacturing processes to the new facility in a phased manner and expect to complete such transition by Fiscal 2023. We also intend to commence manufacturing solar cells at the Chikhli facility to support our backward integration plans and decrease our dependence on external suppliers.

Capacity and Capacity Utilization

The following table sets forth certain information relating to our historical capacity utilization of our manufacturing facilities for PV modules, calculated on the basis of effective installed capacity for the relevant fiscal period and actual production in such periods as calculated below:

Location	Effective Installed Capacity and Capacity Utilization for the Year ended*								
	March 31, 2019			March 31, 2020			March 31, 2021		
	Effective Installed Capacity (MW) (1)(3)	Actual Production	% Utilization(4)	Effective Installed Capacity (MW)(3)	Actual Production	% Utilization(4)	Effective Installed Capacity (MW)(2)(3)	Actual Production	% Utilization(4)
Surat, Tumb and Nandigram Facilities	1,166.67	609.42	52.24%	1,500	918.79	61.25%	1,538.36	807.99	52.52%
Total	**1,166.67**	**609.42**	**52.24%**	**1,500**	**918.79**	**61.25%**	**1,538.36**	**807.99**	**52.52%**

**As certified by M.R. Prajapati, Chartered Engineer, by certificate dated September 16, 2021.*

(1) At commencement of Fiscal 2019, we had 500 MW PV module manufacturing installed capacity. We added 1 GW PV module manufacturing installed capacity at our Tumb facility with effect from August 1, 2018, to increase our aggregate installed capacity from 500 MW to 1.5 GW. The effective installed capacity for Fiscal 2019 has been calculated on the basis of (a) the installed capacity of 500 MW available for manufacturing for the period between April 1, 2018 to July 31, 2018; and (b) the installed capacity of 1500 MW available for manufacturing for the period between August 1, 2018 to March 31, 2019; and other assumptions and estimates set out in (3) below.

(2) At commencement of Fiscal 2021, we had 1.5 GW PV module manufacturing installed capacity in Surat and Tumb facilities. We completed, with effect from March 5, 2021, business acquisition on a slump sale basis, of 500 MW PV module manufacturing capacity in Nandigram, Gujarat, from Waaree Renewables Private Limited, a Promoter Group company, to increase our aggregate installed capacity from 1,500 MW to 2,000 MW. The effective installed capacity for Fiscal 2021 has been calculated on the basis of (a) installed capacity of 1500 MW available for manufacturing for the period between April 1, 2020 to March 5, 2021; and (b) the installed capacity of 2,000 MW available for manufacturing for the period between March 6, 2021 to March 31, 2021; and other assumptions and estimates set out in (3) below.

(3) The information relating to the installed capacity of the manufacturing facilities for the periods indicated are based on various assumptions and estimates that have been taken into account by us for calculation of the effective installed capacity. These assumptions and estimates include standard capacity calculation practice in the PV module industry, including with respect to the period during which the manufacturing facilities operate in such period and the average efficiency of PV modules to be manufactured during such period.

(4) Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the effective installed capacity of the manufacturing facilities for the relevant period as calculated in (1) and (2) above. Actual production levels and utilization rates vary depending on the kind of modules manufactured i.e. efficiency levels of the modules manufactured, size of the modules and processes undertaken. Undue reliance should not be placed on such information. For further information, see "Risk Factors – Information relating to the installed capacity, effective installed capacity and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus are based on certain assumptions and estimates and future production and capacity may vary." on page 53.

Proposed Expansion Plans

In order to meet the growing demand for our products as well as our strategy for backward integration into solar cell manufacturing, we are in the process of setting up our new facility in Chikhli, Gujarat on land acquired by us. The backward integration into solar cell manufacturing is expected to cater to our PV module manufacturing requirements and reduce reliance on third party suppliers, including import of solar cells from China. On commencement of operations of the Chikhli facility, we intend to transfer our existing manufacturing operations from our current facilities to the Chikhli facility and phase out the existing facilities.

Consistent with past practice, we will look to add capacity in a phased manner to ensure that we utilize our capacity at optimal levels. In relation to our existing manufacturing capacity for PV modules, we intend to increase from our current capacity of 2 GW to 5 GW by Fiscal 2022. We are also in the process of upgrading our existing equipment to produce higher powered modules. In relation to backward integration into solar cell manufacturing, we intend to set up manufacturing with a capacity of 4 GW by Fiscal 2023. The following table sets forth certain information on our proposed expansion plans in parts:

	Existing	Part 1(a)	Part 1(b)	Part 2(a)	Part 2(b)	Total
Module capacity (GW)	2.00	2.00	1.00	-	-	5.00
Solar cell capacity (GW)	-	-	-	2.00	2.00	4.00
Expected date of commercial operations		Third quarter of Fiscal 2022	Fourth quarter of Fiscal 2022	Second quarter of Fiscal 2023	Fourth quarter of Fiscal 2023	

In addition, we have made an application to IREDA to qualify as a manufacturer for setting up manufacturing facilities for high efficiency modules under the PLI scheme. In the event that such approval is received from IREDA, we intend to set up an additional 2 GW high efficiency module manufacturing facility at Chikhli or another location determined by us (in addition to the capacity expansion plan specified above). Further, if such approval is received, our management may consider future plans relating to our existing 2 GW module manufacturing capacity.

The information on our proposed expansion plans is indicative and remain subject to the potential problems and uncertainties that expansion projects face including cost overruns or delays. We are in the process of obtaining various consents, approvals and acknowledgements from regulatory authorities that are routine in nature in relation to the proposed expansion of our manufacturing capacities*. Also see, "Objects of the Offer" and "Risk Factors – An inability to obtain or maintain regulatory approvals and permits required for our business operations in a timely manner may adversely affect our business prospects and financial performance"*, and *"Government and Other Approvals" on* pages 98, 47 and 363, respectively.

Procurement of Raw Materials and Components and Inventory Control

Solar Cells. The primary raw materials and components used in the manufacture of our PV modules are solar cells which we currently procure primarily from China. However we intend to begin manufacturing solar cells as part of our backward integration strategy and expect to rely less on external suppliers. Once we commence our solar cell production we would need to procure additional raw materials which would include: wafers, silver paste, aluminium paste as well as certain other gases and chemicals.

In addition to solar cells, other raw materials or components required for the manufacture of PV modules include the backsheet, the encapsulant and the glass as well as aluminium frames, ribbon and junction box.

Backsheet*.* A backsheet provides for mechanical strength, electrical isolation, moisture resistance and internal reflection. It forms a DC insulation layer between the solar cell and the installers and provides protection against shock. It is also impervious to UV rays and moisture and acts as a barrier to external temperature and humidity changes which could affect the solar cells, and diminish the performance of the solar module. Further the innermost surface of the backsheet ensures that in order to give the photons the ability to generate electricity, they are reflected back towards the cell. In addition, it adheres to the encapsulant and holds the entire cell assembly in place for prolonged periods.

Encapsulant. The encapsulant helps in transmittance of light; holding the cell assembly together; and adhering to glass and backsheet. The transmittance of all light that falls on it is essential to ensure that the cell assembly inside gets adequate photons to generate power output. It also holds the cell assembly together in manner that the solar cells do not touch each other and get short-circuited through the use of gel content (for elastomers) and also helps limit shrinkage. Gel content of the encapsulant ensures that they have adequate intermolecular strength which could hold the module together. Encapsulants generally have a tendency to shrink at high laminating temperatures which needs to be limited to ensure that there are no misalignments of strings and/or cell short circuiting. In addition, it is also important there they adhere adequately to the glass on front side and backsheet at the back side of solar module and are stable at elevated temperatures and high UV exposure for prolonged periods.

Glass. The glass in the PV modules enables transmission while minimizing reflection, provides mechanical strength and rigidity as well as compositional stability. It is the first surface that the light interacts with and therefore it is extremely important that it transmits the light to maximum level while lowering the reflection off its surface. In its natural form, the glass reflects four to ten percent of the incident light on it, which may lead to notable loss of power output. Therefore the glass is coated over the front surface with an anti-reflective coating (ARC) which ensures that such reflection is minimized to as low as 1% in many cases. In addition, the glass is tempered and expected to provide mechanical strength and rigidity to the solar module against external weather, shocks, etc. It is important that only solar glass with specific components be used in PV modules so it can stable for its lifetime.

We typically plan our production and inventory levels based on our forecasts of customer demand, which may be unpredictable and can fluctuate over time. The current global economic downturn and market instability make it increasingly difficult for us to accurately forecast future product demand trends. In Fiscal 2019, 2020 and 2021, our cost of materials consumed was ₹10,919.09 million, ₹14,324.36 million and ₹12,619.09 million, respectively, which represented 68.63%, 71.77% and 64.62%, respectively, of our revenue from operations in such periods.

We source raw materials from a number of international suppliers as well as from vendors in India. In Fiscal 2019, 2020 and 2021, our cost of imported materials was ₹9,961.30 million, ₹13,674.27 million and ₹12,191.48 million, which represented 77.86%, 76.00% and 68.41% of our total purchases in such periods. Our top 10 suppliers of raw materials represented 52.94%, 63.73% and 55.49% of our total cost of materials consumed in Fiscal 2019, 2020 and 2021, respectively. We do not have long-term purchase commitments or guaranteed purchase quantities with our suppliers. There are no contractual commitments other than those set out in the purchase orders. Our key suppliers generally grant us a credit period of between 30 days to 90 days. We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated production requirements taking into consideration any expected fluctuation in raw material prices and delivery delay. Raw materials are primarily transported to the manufacturing facilities by air, shipping and road.

Manufacturing Process

PV Module Manufacturing

The manufacturing process for the various types of modules are conceptually similar, although different equipment are used for different types of our products. Solar modules are produced by interconnecting multiple solar cells into desired electrical configurations through soldering. The interconnected solar cells are laid out and laminated in a vacuum with optimized process conditions. Through these processes and designs, the solar modules are weather-sealed, and thus are able to withstand high levels of ultraviolet radiation, moisture, wind, transportation damage and sand. Assembled solar modules are framed in a protective aluminium frame prior to testing.

Solar Cell Manufacturing

We intend to commence solar cell manufacturing for use in the manufacture of our PV modules.

Solar cell manufacturing process starts with an ultrasonic cleaning process to remove grease and particles from the wafer surface, followed by chemical cleaning and texturing in wet benches to remove organic and metallic contaminate, as well as to create suede-like or pyramid-like topograph, depending on multi- or mono-crystalline wafer used, on the wafer surface. This rough surface could reduce the optical loss of solar cells due to lowering light reflection and creating longer optical path beneficial for light absorption. The wafer then receives a high temperature diffusion process to form p-n junction, which is the heart of solar cell to separate light generated carriers. An edge isolation process is adapted to electrically isolate diffused front and rear surfaces, followed by an anti-reflection coating process to deposit a thin layer of silicon nitride on the sunward side of the wafer to further enhance the light absorption. Metallization is then applied by screen printed metal paste on both sides of the wafer, followed by a high temperature co-firing process through a belt furnace to form ohmic-contact electrodes. The finished solar cells are tested and sorted, and ready for the solar module manufacturing process.

Quality Control, Testing and Certifications

We also conduct various tests on our products in-house including: outdoor exposure test, damp heat test, static mechanical load test, hail test, humidity freeze and thermal cycling test, salt mist corrosion test, ignitability test, peel test, cut susceptibility test, dry heat conditioning test, module breakage test, potential induced degradation test, light induced degradation test and UV preconditioning. These tests are designed to ensure that any defects are identified and rectified before the product is shipped. Moreover, as we do not have to send the product out to third-party testing sites or organisations, we can also ensure that our operational costs are low and our products are competitive.

Our quality policy is focused on fulfilling customer requirements through reliable products and services aimed at meeting all regulatory requirements and through continual improvement of our quality management systems. Our products undergo a qualification process throughout the entire value chain to ensure that quality products are being provided to customers. Our quality control programs at all of our manufacturing facilities involve subjecting the manufacturing processes and quality management systems to periodic reviews and observations for various periods.

We possess various national and international certifications. For instance, certain of our manufacturing facilities are ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified. In addition, our modules are insured by external parties, which requires us to maintain high standards for insurance approval. We have also consistently received a tier-1 PV module manufacturer rating from the Bloomberg New Energy Finance in Fiscal 2018, 2019, 2020 and 2021 and was the first and is the only Indian PV module manufacturing company to attain an NABL accreditation. (*Source: CRISIL Report*)

Repair and Maintenance

We schedule regular repair and maintenance programs for our manufacturing facilities to maximize production efficiency and avoid unexpected interruption of our operations. We also have periodic scheduled shutdowns for maintenance. Our equipment and repair teams carry out day-to-day maintenance and repair of the facilities and equipment on an as-required basis. In addition, our manufacturing facilities are also periodically inspected in respect of critical equipment by independent inspection agencies.

Pricing

The pricing of our products depends on a variety of factors including market demand, raw material costs, our production capacity, transportation costs, inventory levels, competitors' prices and credit terms, as well as nature of customers. Prices for different regions are also affected by local regulations and tax policies. A minimum price level is set for each type of product. Our sales team also helps evaluate the factors affecting our selling price on a regular basis and adjusts our minimum prices when appropriate and also determines the various schemes, offers and discounts applicable on our products. We are generally responsible for shipping costs and include such costs in the sales price.

Logistics

We transport raw materials and finished products primarily by air, shipping or road. Our suppliers directly deliver our raw materials to our manufacturing facilities. We outsource the delivery of our products to third-party logistics companies. We rely on freight forwarders to deliver our products from our manufacturing facilities to franchisee outlets or customers. We do not have long-term contractual relationships with our freight forwarders.

Distribution, Sales and Customers

Our sales and revenue channels include: (i) Direct Sales to Utilities and Enterprises; (ii) Franchisee Sales; (iii) Export Sales; and (iv) Other Revenue from Operations. We have an adept in-house sales and marketing team of 87 employees that specialise in the different areas of sales and marketing. In Fiscal 2021, our products were distributed across India, and around 19 countries globally. Finished products are dispatched from our manufacturing facilities to individual customers or franchisees.

Direct Sales to Utilities and Enterprises

We have a dedicated sales team who handle key accounts with utilities and enterprises for module sales which involve long sales cycles, multiple decision makers and a higher level of risk. Further, they are regularly in contact with our clients to understand their evolving needs as well as market trends. Our clients belong to diverse sectors and industries and primarily relate to private projects and large rooftop instalments. Some of our key clients or customers in this segment include ReNew Power, ACME, Hero Solar, Mahindra Susten, Essel Infra, AMP Energy, Sukhbir Agro Energy, Solarworld Energy, Rays Power Infra. In Fiscal 2019, 2020 and 2021, Direct Sales to Utilities and Enterprises was ₹9,713.82 million, ₹12,844.38 million and ₹7,805.31 million, respectively and represented 61.05%, 64.36% and 39.97%, respectively, of our total revenue from operations in such periods.

Franchisee Sales

We also sell our modules through our franchisees, to primarily rooftop and MSME segment customers. Our franchisee network is also well integrated with our marketing and promotional activities, and helps in strengthening our brand image. As of June 30, 2021, we had 388 franchisees in 25 states and two union territories across India. Franchisee Sales typically includes module sales through our extensive franchisee network focused on rooftop and SME customer segments as well as franchisee EPC revenue, i.e., revenue from EPC services derived through our franchisees.

We grant our franchisees the exclusive right to open, maintain and operate a store offering our products and services under our trademarks. During the term of the franchise arrangement, we sub-licence certain trademarks to the franchisee, such as the Waaree brand name. We conduct routine inspections to ensure the quality, cleanliness, service, health and authorized product line of the franchise stores. We supply our franchisees with our products and services, as well as marketing and promotional materials.

Our franchisees are expected to meet certain sales targets for the store within a fixed duration. In addition, our franchisees are required to: operate the franchisee business; maintain, advertise and promote the store, such as by displaying advertising boards for our products at their stores to attract consumers; maintain adequate inventory stock; employ engineers and train their staff required, who will be on the franchisee’s payroll; manage its finances and working capital, and maintain accurate accounting records of the sales and operations; make timely payments to us for their purchase orders; keep us informed of market developments in the region and of any material plans or developments which could have an effect beneficial or adverse upon the operation of the store and its business. In particular, our franchisees are only allowed to sell the range of products and services permitted or specified by us, which we may modify at any time. Our franchisees are bound by confidentiality obligations relating to any proprietary information, customer information, trade secrets, research and developments, processes, methodologies, know-hows, financial information, business plans that may be provided in the course of the franchise relationship.

Our franchise agreements with our franchisees typically last for a term of three years with an option for renewal. For two years after the expiry or termination of the franchise agreement, our franchisees are not allowed to compete with us, solicit or induce any of our employees, client, contacts, vendors, or agents to terminate their relationship with us, or circumvent us by using confidential information obtained during the franchisee relationship to derive any benefits.

In addition, we provide our franchisees with staff training, and guidance and advice on store operations and the general solar business. We also consistently engage with our franchisees as well as the local electrician community that support installation and maintenance assistance required by customers. We are in the process of identifying and training a large community of local electricians and construction / installation contractors that can efficiently support our franchisees. These engagements offer insights on emerging rooftop and MSME customer trends that we then leverage to strategically focus on particular regions or communities. In Fiscal 2019, 2020 and 2021, Franchisee Sales was ₹2,198.41 million, ₹3,148.83 million and ₹3,887.60 million, respectively and represented 13.82%, 15.78% and 19.91%, respectively, of our revenue from operations in such period.

Export Sales

Export/international sales of our modules and services including EPC also form a significant part of our revenue. We have successfully developed a marquee customer base globally, including customers in the United States, Canada, Italy, Turkey and Vietnam. Key international clients include Central 40 and Novel Energy. We have a dedicated sales team of specializing in export sales. In Fiscal 2019, Fiscal 2020 and Fiscal 2021, Export Sales was ₹2,178.97 million, ₹2,285.65 million and ₹4,809.32 million and represented 13.70%, 11.45% and 24.63%, respectively, of our total revenue from operations in those periods.

Other Revenue from Operations Channels

Our other revenue from operations include EPC services for domestic utilities and enterprise customers, O&M services, trading in ancillary products export incentives, generation of electricity from renewable resources and scrap sale. In Fiscal 2019, 2020 and 2021, other revenue from operations was ₹1,819.16 million, ₹1,678.98 million and ₹3,025.53 million and represented 11.43%, 8.41% and 15.49%, respectively, of our total revenue from operations in those periods.

Brand Building and Marketing

We have invested in the promotion of the “Waaree” brand, WAAREE, and our business promotion expenses in Fiscal 2019, 2020 and 2021 was ₹271.68 million, ₹73.89 million and ₹64.88 million, respectively. We believe this investment in advertising and promotion of the “Waaree” brand along with efforts to provide quality products are key factors that have enabled us to build awareness, grow our network of franchisees and expand successfully across multiple regions, and that we will continue to benefit from these historical brand recognition as we execute our future growth plans. We utilise a number of avenues to promote the “Waaree” brand and products, including traditional media outlets, and our network of franchisees. We also adapt our advertising campaigns by adjusting to local languages and customs in order to appeal to more targeted and relevant demographics within specific markets. Further, we work with media companies to acquire optimal advertising slots in order to maximise the impact of our advertising campaigns.

Information Technology

Information technology has emerged as a key business enabler for us and plays an important role in improving our overall productivity, customer service and risk management. We have stable, secure and robust IT infrastructure and applications such as SAP supporting our business and strategic initiatives. We continue to implement automation initiatives on top of our core applications to streamline our procurement of raw materials, manufacturing process, sale of finished goods, payments to vendors and suppliers, and receivables from customers or franchisees.

Competition

The PV module industry has historically been dominated by a few entities who have been operating for over 10 years, which cumulatively hold an aggregate market share of about 51% in 2021. (*Source: CRISIL Report*). Some of our key competitors across our business segments include Vikram Solar Limited, Mundra Solar Private Limited (Adani), Premier Energies Limited, RenewSys India Private Limited, Emmvee Photovoltaic Power Private Limited and Alpex Solar Private Limited. (*Source: CRISIL Report*)

We believe we are well-positioned to compete with these companies given our strategy of backward integration into solar cell manufacturing, while at the same time offering a complete range of PV modules across India and increasingly in international markets, as well as our extensive franchisee network and brand recognition. With over 14 years of operating history in the solar energy space and the quality of our products, our product development capability and our range of PV modules, we believe that we are able to compete effectively with our industry peers. For further information on the competition we face in the markets in which we operate, see “*Industry Overview*” on page 116.

Health, Safety and Environment

Our activities are subject to the environmental laws and regulations of India. For information regarding applicable health, safety and environmental laws and regulations, see “*Key Regulations and Policies in India*” on page 183.

Our manufacturing facilities at Tumb and Surat are certified with ISO 9001:2015 for manufacture, marketing, supply and installation of solar photovoltaic modules management system and ISO 45001:2018 for occupational health and management system. Our manufacturing facility at Tumb is also certified with ISO 14001:2015 for environmental management system.

We consider environmental issues to be an important factor in our operations and we take various measures to ensure that our operations do not negatively impact the environment. We have adopted an integrated management system policy. Our integrated management system policy aims to provide innovative solutions to the growing challenges of the modern energy industry, enhance customer satisfaction, and create a safe and healthy working environment by continual improvement, organisational excellence through employee skill development and technology upgradation and further, provides for protection of environment by adopting best practices. In recognition of our efforts, we have been awarded the *National Excellence Award* in 2016 by the Ministry of New and Renewable Energy, GoI for rooftop solar power projects.

Insurance

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We maintain ongoing insurance policies in order to manage the risk of losses from potentially harmful events, including: (i) marine sales turnover policy; (ii) industrial all risk insurance covering fire, material damages to machinery, breakdown, electronic equipment; (iii) fire and special perils policy covering, among others, stocks and stocks in process at our depots; (iv) product liability insurance; and (v) office package insurance covering, among others, burglary, fire, money insurance and electronic equipment.

As of March 31, 2021, our insurance cover for property, plant and equipment, and inventory 2021 was ₹7,017.50 million, while our gross block of property, plant and equipment (including solar power plant of ₹72.52 million recognised as intangible assets), and inventory, was ₹6,761.00 million, and our total assets (including all current and non-current assets) was ₹12,805.21 million. Consequently, our insurance cover as a percentage of gross block of property, plant and equipment, and inventory, was 103.79%, and our insurance cover as a percentage of total assets (including all current and non-current assets) was 54.80%, as of March 31, 2021. Inventory amounting to 0.07% of the total assets is uninsured as on March 31, 2021.

In addition, our modules are insured and typically sold with a 10-year warranty for product manufacturing defects and with a 25-year warranty relating to output performance of our modules. If a manufacturing defect is discovered during the relevant warranty period, we are required to either repair or replace the solar module or refund the purchase price of the module without interest or any charge. In Fiscal 2019, 2020 and 2021, our warranty expense was ₹65.18 million, ₹85.77 million and ₹72.31 million, which represented 0.41%, 0.43% and 0.37% of our revenue from operations, respectively, in such periods. In those same periods, our provision for warranty was ₹153.89 million, ₹236.83 million and ₹304.00 million, which represented 0.97%, 1.19% and 1.56% of our revenue from operations, respectively, in such periods.

We believe our insurance coverage is on comparable terms to that generally carried by companies engaged in similar businesses in India. We may, however, not be insured fully against all the risks associated with our business either because insurance is not available in India or because premiums for some coverage are prohibitive.

Human Resources

As of June 30, 2021, we had 503 full-time employees. In addition, we contract with third party manpower and services firms for the supply of contract labour for, amongst others, production, material and product handling, EPC, O&M and other miscellaneous works at our facilities and sites. As of June 30, 2021, we had engaged 2,405 contract labour. The number of contract laborers varies from time to time based on the nature and extent of work contracted to independent contractors.

Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner. We conduct training workshops for our employees to develop a variety of skill sets and organize modules at regular intervals to promote teamwork and personal growth of employees. We train all our employees in our manufacturing operations, including machine utilization, operations flow, quality management and work safety. Our employees are not unionised into any labour or workers' unions and we have not experienced any major work stoppages due to labour disputes or cessation of work in the last three fiscal years. For further information, see "*Risk Factors – We may be subject to unionization, work stoppages or increased labour costs, which could adversely affect our business and results of operations.*" at page 50.

Intellectual Property

Our success depends in part on our ability to protect our technology and intellectual property. In the course of our business, we use various financial, business, scientific, technical, economic and engineering information, formulas, designs, methods, techniques, processes and procedures, all of which is confidential and proprietary information. We primarily rely on a combination of trademarks and other intellectual property laws and non-disclosure agreements to establish and protect our intellectual property rights. We also share some of our technology and know-how with our vendors in connection with the supply of equipment for the development of our products, and therefore we need to ensure that we obtain adequate safeguards against any potential intellectual property infringement by our vendors.

We have registered certain trademarks in India, and may apply for other intellectual property registrations in the future. As on the date of this Draft Red Herring Prospectus, we have three trademarks registered in the name of our Company relating to our various brands, which we use for marketing and branding our business, one trademark in the name of our Subsidiaries, and have applied for two trademarks and three other patents in India.

Pursuant to a trademark license agreement dated May 18, 2019 between Waaree Infrastructure and Agritech Private Limited (a Promoter Group entity) and our Company, we have been granted the non-exclusive license to use the specified trademarks including "Waaree" in connection with our products in accordance with the terms of such trademark license agreement. The license fee payable under such trademark license agreement has been subsequently waived by the licensor through a waiver letter agreement entered into between Waaree Infrastructure and Agritech Private Limited and our Company on March 30, 2020.

Corporate Social Responsibility

We have constituted a corporate and social responsibility ("**CSR**") committee of our Board of Directors (the "**CSR Committee**") and have adopted and implemented a CSR policy, pursuant to which we carry out various CSR activities. Our CSR activities are primarily focused on, amongst others educational and training activities for students, health care, relief fund, rural development and COVID-19 activities. We seek to integrate our business values and operations in an ethical and transparent manner to improve our initiatives related to quality management, environment preservation and social awareness. For further information, see "*Our Management - Corporate Governance*" on page 212.

Property

Our Registered and Corporate Office is located at 602, 6th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai – 400066, Maharashtra, India and is operated by us on a leasehold basis. We have leased the premises for our Registered and Corporate Office from Chimanlal Tribhovandas Doshi, one of the members of Promoter Group, under a lease agreement which is valid until May 2025.

As of the date of this Draft Red Herring Prospectus, we operate three manufacturing facilities, comprising four factories, at Surat, Tumb and Nandigram in Gujarat, India which are located on land held on leasehold basis. One of our factories is located in Surat SEZ on leasehold basis with an option to renew the lease in every 15 years up to 2085. We will be transitioning our operations and manufacturing in phases from our existing manufacturing facilities to our new manufacturing facility at Chikhli in Gujarat, India which is expected to start operations in Fiscal 2023. The land upon which our new manufacturing facility is being set up is owned by us.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.

The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies, as amended, and are subject to future amendments, changes and/or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Taxation statutes such as the Income Tax Act, 1961, the Customs Act 1962, the relevant goods and services tax legislation and applicable shops and establishments' statutes apply to us as it does to any other company. For details of government approvals obtained by our Company, see "Government and Other Approvals" on page 363.

Industry specific laws

The Electricity Act, 2003 ("Electricity Act")

The Electricity Act is a central legislation and provides for, *inter alia*, generation, transmission, distribution, trading and use of electricity. Under the Electricity Act, the transmission, distribution, and trade of electricity are regulated activities which require licenses from the Central Electricity Regulatory Commission ("**CERC**"), the State Electricity Regulatory Commissions ("**SERC**s") or a joint commission (constituted by an agreement entered into between two or more state governments or the central government in relation to one or more state governments, as the case may be).

Under the Electricity Act, the appropriate commission, guided by, *inter alia,* the methodologies specified by the CERC with the aim of promotion of co-generation and generation of electricity from renewable sources of energy, shall specify the terms and conditions for the determination of tariff.

The Electricity Act requires the GOI to prepare the national electricity policy and tariff policy, from time to time, in consultation with the state governments and Central Electricity Authority. The Draft Electricity (Amendment) Bill, 2020 ("**Draft EAA**") was proposed by the Ministry of Power in April 2020 which seeks to amend certain provisions of the Electricity Act. Among others, the amendment proposes the establishment of the Electricity Contract Enforcement Authority ("**ECEA**") to adjudicate on matters pertaining to performance of contracts regarding the sale, purchase, or transmission of electricity between a generation company and other licensees. Further, Draft EAA empowers the GoI to formulate a national renewable energy policy in consultation with state governments, whereby the GoI may prescribe a minimum percentage of purchase of electricity from renewable sources of energy.

Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017 ("Tariff Regulations")

The Central Electricity Regulatory Commission has announced the Tariff Regulations, which prescribes the criteria that may be taken into consideration by the relevant electricity regulatory commissions while determining the tariff for the sale of electricity generated from renewable energy sources which include, *inter alia*, return on equity, interest on loan and working capital, operations and maintenance expenses, cost of capital and depreciation. Pursuant to the National Tariff Policy, the CERC is required to determine the rate of return on equity which may be adopted by the relevant electricity regulatory commissions to determine the generic tariff, keeping in view the overall risk and prevalent cost of capital, which factors are also to be taken into consideration by relevant electricity regulatory commissions while determining the tariff rate. The Tariff Regulations prescribe that the normative return on equity will be 14%, to be grossed up by the prevailing Minimum Alternate Tax ("**MAT**") as on April 1st of the previous year for the entire useful life of the project.

The Tariff Regulations also provide the mechanism for sharing of carbon credits from approved clean development mechanism projects between renewable energy generating companies and the concerned beneficiaries.
Under the Tariff Regulations, the project developer is entitled to retain 100% of the gross proceeds on account of clean development mechanism project benefit in the first year after the date of commercial operation of the generating station. Subsequently, in the second year, the share of the beneficiaries will then be progressively increased by 10% every year until it reaches 50% after which the clean development mechanism project proceeds are to be shared equally between the generating company and the beneficiaries.

The Ministry of New and Renewable Energy ("MNRE")

The MNRE is the nodal ministry of the Government of India at the national level for all matters relating to non-conventional sources of energy and renewable energy. The mandate of MNRE includes research, development, commercialisation and deployment of renewable energy systems or devices for various applications in rural, urban, industrial and commercial sector.

Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirement for Compulsory Registration) Order, 2019 ("ALMM Order")

To ensure the quality of solar cells, solar modules, used in solar PV power plants, the MNRE issued the ALMM Order on January 2, 2019. The ALMM Order provides that the government will enlist eligible models and manufacturers of solar PV power plants complying with the applicable BIS standard, and publish a list titled the "Approved List of models and manufacturers" ("**ALMM**"). Only the models and manufacturers included in the ALMM would be eligible for use in government / government assisted projects under government schemes and programmes installed in the country, including the projects set-up for sale of electricity to the government under the "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects" dated August 3, 2017 and the amendments thereof (collectively, the "**Applicable Projects**"). The ALMM will consist of List I, specifying models and manufacturers of solar PV modules and List II specifying models and manufacturers of solar PV cells. Further with respect to the Applicable Projects, solar PV module manufacturers from List I would have to mandatorily source PV solar cells only from manufacturers in List II. For being eligible to be included in List-I, the manufacturers are required to obtain a BIS certification in accordance with the Compulsory Registration Order. Manufacturers are required to make an application to the MNRE for registration, and if enlisted, such enlistment shall be valid for a two-year period and can be renewed by submitting necessary documents and satisfactory performance of products. Prior to inclusion in the ALMM, a team of MNRE will inspect the manufacturing facility of the applicant. Enlisted models and manufacturers will be subjected to random quality tests and failure or non-compliance will lead to removal from ALMM. The ALMM Order will not apply to projects for which bids have been finalised before the issuance of the ALMM Order. Thereafter, the MNRE has also issued the Guidelines for enlistment under the ALMM Order on March 28, 2019 which provides a procedural framework for the implementation of the ALMM Order.

Bureau of Indian Standards Act, 2016 (the "BIS Act") and the Solar Photovoltaics, Systems, Devices and Components Goods (Requirements for Compulsory Registration) Order, 2017 ("Compulsory Registration Order")

The Bureau of Indian Standards Act, 2016 provides for the establishment of bureau for the standardisation, marking and quality certification of goods. Functions of the bureau include, *inter alia,* (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. A person may apply to the bureau for grant of license or certificate of conformity, if the articles, goods, process, system or service confirms to an Indian Standard.

The Compulsory Registration Order issued by MNRE was published on August 30, 2017 and was scheduled to come into effect on the expiry of one year from the date of such publication. In terms of the Compulsory Registration Order, any manufacturer who, *inter alia,* manufactures, stores for sale, sells or distributes; (a) utility interconnected photovoltaic inverters, (b) power converters for use in PV power system, (c) PV modules (wafer and thin film) (d) thin film terrestrial PV modules; and (e) crystalline silicon terrestrial PV modules (collectively the "**Goods**") would require registration from the Bureau of Indian Standards for use of the Standard Mark as specified in the Schedule of the Compulsory Registration Order. The Compulsory Registration Order seeks to prohibit the manufacture or storage for sale, import, or distribution of the Goods which do not conform to the standard specified under the Compulsory Registration Order. However, pursuant to the notifications of MNRE dated April 16, 2018 and October 12, 2018, considering the time taken for tests and the framing of the guidelines for such tests, manufacturers of SPV modules and inverters were permitted in the interim to continue operations by submitting a self-certification that their products conform to the relevant Indian standards or their IEC counterparts along with proof of submission of samples to laboratories with the expected date of completion of testing. With respect to SPV modules ((c), (d) and (e) above), the timeline for submission of such self-certification together with samples for a test lab recognised by BIS pending results was January 1, 2019. However, pursuant to a subsequent notification dated January 4, 2019 of the MNRE, manufacturers of inverters ((a) and (b) above) have been permitted to continue operations by only submitting self-certification by June 30, 2019 without submission of samples to test labs till the series guidelines for submission of samples was under preparation, provided that the manufacturers have valid IEC corresponding to the Indian Standard.

Public Procurement (Preference to Make in India) Order for Renewable Energy Sector, 2018 ("Make in India Renewable Energy Order")

Pursuant to the Public Procurement (Preference to Make in India) Order, 2017 dated June 15, 2017 issued by the DIPP (the "**Make in India Order**") to promote the manufacture and production of goods and services in India, the MNRE has issued the Make in India Renewable Energy Order, directing all departments / attached offices / subordinate offices of the MNRE or autonomous bodies controlled by the GoI or government companies (as defined under the Companies Act) to adhere to the Make in India Order with respect to all of their procurements. For grid connected solar power projects, apart from civil construction, central ministries, departments, and central public sector undertakings, are required to give preference to domestically manufactured components, with solar modules required to be 100% locally manufactured and other components such as invertors required to be at least 40% locally manufactured. With respect to off grid / decentralised solar power, the requirement of local content in solar streetlights, solar home lighting systems, solar power packs / micro grid, solar water pumps, inverters, batteries, and any other solar PV balance of system is at least 70%.

Renewable Purchase Obligations

The Electricity Act promotes the development of renewable sources of energy by requiring the relevant electricity regulatory commission to ensure grid connectivity and the sale of electricity generated from renewable sources. In addition, it requires the relevant electricity regulatory commission to specify a percentage of the total consumption of electricity within the area of a distribution licensee, for the purchase of electricity from renewable sources, which are known as renewable purchase obligations ("**RPOs**"). Pursuant to this mandate, most of the relevant electricity regulatory commission have specified solar and non-solar RPOs in their respective states. RPOs are required to be met by obligated entities i.e., distribution licensees, captive power plants and open access consumers, by purchasing renewable energy, either by entering into power purchase agreements with renewable energy power producers or by purchasing renewable energy certificates.

Pursuant to the order dated June 14, 2018 (no. 23/03/2016-R&R) issued by the Ministry of Power, Government of India (the "**MoP**"), the MoP has notified the long-term growth trajectory of renewable purchase obligations for solar and non-solar, uniformly for all states/Union Territories for a period of three years i.e., Fiscal 2020 to 2022.

National Electricity Policy

The GoI approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of the Electricity Act. The National Electricity Policy lays down the guidelines for development of the power sector, including renewable energy, and aims to accelerate the development of the sector by providing supply of electricity to all areas and protecting interests of consumers and other stakeholders. The National Electricity Policy provides that the SERCs should specify appropriate tariffs in order to promote renewable energy, until renewable energy power producers relying on non-conventional technologies can compete with conventional sources of energy.

The SERCs are required to ensure progressive increase in the share of generation of electricity from non-conventional sources and provide suitable measures for connectivity with grid and sale of electricity to any person. Further, the SERCs are required to specify, for the purchase of electricity from renewable energy sources, a percentage of the total consumption of electricity in the area of a distribution licensee. Furthermore, the National

Electricity Policy provides that such purchase of electricity by distribution companies should be through a competitive bidding process. The National Electricity Policy permits the SERCs to determine appropriate differential prices for the purchase of electricity from renewable energy power producers, in order to promote renewable sources of energy.

Jawaharlal Nehru National Solar Mission ("JNNSM")

The JNNSM was approved by the GoI on November 19, 2009 and launched on January 11, 2010. The JNNSM has set a target of 100 GW of solar power in India by 2022 and seeks to implement and achieve the target in three phases (Phase I from 2012 to 2013, Phase II from 2013 to 2017 and Phase III from 2017 to 2022). The target principally comprises 40 GW rooftop solar power projects and 60 GW large and medium scale grid connected solar power projects. The JNNSM aims at creating conditions for rapid scale up of capacity and technological innovation to drive down costs towards grid parity. In addition, the GoI on March 22, 2017 sanctioned the implementation of a scheme to enhance the capacity of solar parks from 20,000 MW to 40,000 MW for setting up at least 50 solar parks each with a capacity of 500 MW and above by 2019 or 2020.

Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan Scheme 2019 ("PM-KUSUM")

The PM-KUSUM scheme was implemented by the MNRE in 2019 with three components: (i) Component A - For setting up of 10,000 MW of decentralised grid connected renewable energy power plants on barren land. Under this component, renewable energy-based power plants (REPP) of capacity 500 KW to 2 MW will be set up by individual farmers / group of farmers / cooperatives / panchayats / farmer producer organisations (FPO) / water user associations (WUA) on barren land. The power generated will be purchased by state electricity distribution companies (DISCOMs) at pre-fixed tariff; (ii) Component B - For installation of 17.50 lakh standalone solar agriculture pumps. Individual farmers will be supported to install standalone solar agriculture pumps of capacity upto 7.5 HP for replacement of existing diesel agriculture pumps / irrigation systems in off-grid area, where grid supply is not available; and (iii) Component C - For solarisation of 10 lakh grid connected agriculture pumps. Under this component, individual farmers having grid connected agriculture pumps will be supported to solarise pumps. The farmers will be able to use the generated solar power to meet their irrigation needs and excess power will be sold to DISCOMs at pre-fixed tariff.

The scope of this scheme was expanded in 2021, with 20 lakh farmers to now be provided with assistance to install standalone solar pumps, and another 15 lakh farmers to be assisted with solarising their grid-connected pump sets. The scheme aims to add solar and other renewable energy capacity of 25,750 MW by 2022.

Grid Connected Solar Rooftop Programme

The aim of this initiative is to achieve a cumulative capacity of 40,000 MW from the rooftop solar projects by 2022. Phase-II of the Grid Connected Solar Rooftop Programme was approved by the Cabinet Committee on Economic Affairs ("**CCEA**") and provides for central financial assistance for residential rooftop solar installations upto 40% for rooftop systems up to a capacity of 3 kW and 20% for those with a capacity of 3-10 kW. The Phase-II also focuses on increasing the incentives for DISCOMs based on achievement of certain installed capacity.

Renewable Energy Research and Technology Development Programme

This initiative by the Ministry of New and Renewable Energy ("**MNRE**") provides grants for research and development ("**R&D**") / technology development projects for renewable energy. As per the terms and conditions, approval of the R&D / technology development project and the grant is released for the specific project sanctioned and the grant is to be exclusively spent on the project within the approved time duration. The grantee organisation is not permitted to seek or utilise funds from any other organisation (government, semi-government, autonomous and private bodies) for the research project, unless specifically approved for joint funding. Under this programme, the assets acquired in the project shall be shared proportionately between the Government of India and the grantee organisation in accordance with the cost sharing pattern of the project.

Production linked incentive scheme ("PLI scheme")

The aim of the PLI scheme is to boost domestic manufacturing and cut down on import bills. The PLI scheme provides companies incentives on incremental sales from products manufactured in domestic units. Along with inviting foreign companies to set up shops in India, the PLI scheme also aims to encourage local companies to set up or expand existing manufacturing units. The PLI scheme was initially rolled out for mobile and allied

equipment, pharmaceutical ingredients, and medical devices manufacturing. The government aims to expand the ambit of the PLI scheme to include as many as ten more sectors, such as food processing and textiles.
In the union budget 2021-22, the government has introduced provisions for renewable energy sector. The government has committed nearly 1.97 lakh crores, over a period of five years starting financial year 2021-22 for, *inter alia,* high efficiency solar PV modules. The PLI scheme will also incentivise new gigawatt (GW) scale solar PV manufacturing facilities in India.

Special Economic Zones Act, 2005, rules and amendments thereof ("SEZ Act")

The SEZ Act provides for the establishment, development and management of the special economic zones for the promotion of exports and for other connected matters. The SEZ Act provides various incentives in duties, tariffs and applicability of commercial laws, mainly to encourage investment and create employment. In a special economic zone, the economic laws are more liberal than the typical application of such economic laws in the country, to purport development, promote rapid economic growth by providing tax and business incentives. Such incentives are governed by the provisions of the SEZ Act.

As one of our existing manufacturing facilities is within a special economic zone, we are governed by the provisions of the SEZ Act and receive various incentives and subsidies within it.

National Tariff Policy

The GoI notified the revised National Tariff Policy effective from January 28, 2016. Among others, the National Tariff Policy seeks to ensure availability of electricity to consumers at reasonable and competitive rates, financial viability of the sector and attract investments and promote generation of electricity from renewable sources. The National Tariff Policy mandates that SERCs must reserve a minimum percentage for purchase of solar energy equivalent to 8% of total consumption of energy by March 2022.

Integrated Energy Policy 2006

The Integrated Energy Policy, 2006, (the "**Policy**") is a report of an expert committee constituted by the Government of India, to explore alternative technologies and possible synergies that would increase energy system efficiency and meet the requirement for energy services. The aims and objectives of this Policy include, amongst others, providing appropriate fiscal policies to take care of externalities, tax measures, transparent and targeted subsidies, promoting energy efficiency, providing incentive for renewable energy production by linking the incentive to not just the outlay but also the output. The Policy also provides for the respective power regulators to mandate feed-in-laws for renewable energy, as may be appropriate and as provided under the Electricity Act.

State solar policies

Our Company's operations are also subject to the solar policies framed in the states in which the solar power projects are implemented, and we supply our products to such projects. Such policies typically provide a framework for the governance of the solar power industry and projects, procedures for undertaking of bids, terms of the renewable purchase obligations, connectivity to grid lines and the measures to be taken to promote the development of solar power in the state, including incentives to manufacturer such as grants of concessions on certain taxes, research and development initiatives. For example, we have been granted incentives under the Electronics Policy (2016-2021) of the Government of Gujarat, wherein we have been granted capital subsidy, reimbursement of stamp duty and registration fees, interest subsidy and power tariff incentives.

Draft National Renewable Energy Act, 2015 ("Draft NRE Act")

The Draft NRE Act has been formulated by the Ministry of New and Renewable Energy ("**MNRE")** with the aim to promote the production of energy through use of renewable energy sources. The Draft NRE Act seeks to provide a framework to facilitate and promote the use of renewable energy. It aims to address issues with respect to renewable energy such as the principles of grid planning and operation and the concept of national targets and its compliance by utilities. It proposes the creation of a framework for governance of renewable energy at the national and state level by creating a national renewable energy committee and a national renewable energy advisory group. It also requires states to establish a state-level implementing agency responsible for implementing renewable projects. The Draft NRE Act would require the MNRE to prepare and publish a national renewable energy policy in consultation with the state governments, from time to time, to formulate and implement a state level renewable energy policy, and renewable energy plan taking into consideration the applicable national renewable energy policy and national renewable energy plan.

Among other things, the Draft NRE Act proposes to empower the GoI and State Governments to establish national renewable energy funds and state green funds, respectively, to meet the expenses incurred for implementing the national renewable energy policy and national renewable energy plan. Further, unlike the Electricity Act, no license is required for supply of electricity, if generated from renewable energy sources under the provisions of the Draft NRE Act.

Draft Electricity (promoting renewable energy through Green Energy Open Access) Rules, 2021 ("Draft Electricity Rules 2021)

The Ministry of Power ("**MoP**") circulated the Draft Electricity Rules 2021 in August 2021 and is seeking public comments. The Draft Electricity Rules 2021 have been proposed for the purchase and consumption of green energy, including the energy from waste-to-energy plants. It will provide in detail for renewable purchase obligation (RPO), green energy open access, nodal agencies, procedure for the grant of green energy open access, banking and cross-subsidy surcharge. It also provides for tariff for green energy which shall be determined by the appropriate commission.

Environmental laws

The Environment (Protection) Act, 1986 ("EPA")

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emit any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the relevant state pollution control boards. Under the Water Act, any individual, industry or institution discharging industrial or domestic waste into water must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

Under the Air Act, the relevant state pollution control board may inspect any industrial plant or manufacturing process and give orders, as it may deem fit, for the prevention, control and abatement of air pollution. Further, industrial plants and manufacturing processes are required to adhere to the standards for emission of air pollutants laid down by the relevant state pollution control board, in consultation with the Central Pollution Control Board. The relevant state pollution control board is also empowered to declare air pollution control areas. Additionally, consent of the state pollution control board is required prior to establishing and operating an industrial plant. The consent by the state pollution control board may contain provisions regarding installation of pollution control equipment and the quantity of emissions permitted at the industrial plant.

Labour laws

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Shops and Establishments Act, 1953, the Maternity Benefit Act, 1961 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

(a) **Code on Wages, 2019**, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, Professional Tax Act, 1975 and the Equal Remuneration Act, 1976. It regulates, *inter alia*, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

(b) **Industrial Relations Code, 2020**, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

(c) **Code on Social Security, 2020**, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

(d) **The Occupational Safety, Health and Working Conditions Code, 2020**, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

These codes shall become effective on the day that the Government shall notify for this purpose.

Intellectual Property Laws

The Trade Marks Act, 1999 ("Trademarks Act")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying for trademarks.

The Patents Act, 1970 ("Patents Act")

The Patents Act provides for the application and registration of new inventions of products or processes for granting exclusive rights to the holder of such a patent and obtaining relief in case of infringement. Under the Patents Act, the registration is granted for a fixed period and after the expiry of the term of the patent, it becomes available in the public domain for use without having to pay any fee / royalty to the inventor of the product or process.

Other laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, tax related legislations and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as 'Anmol Fluid Connectors Private Limited' at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated December 18, 1990, issued by the RoC. The name of our Company was changed to 'Waaree Solar Private Limited', pursuant to a fresh certificate of incorporation issued by the RoC on April 25, 2007. The name of our Company was further changed to 'Waaree Energies Priave Limited', pursuant to a fresh certificate of incorporation issued by the RoC on October 15, 2007. The name of our Company was further changed to 'Waaree Energies Private Limited', pursuant to a fresh certificate of incorporation issued by the RoC on December 12, 2007. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders held on March 8, 2013, and consequently the name of our Company was changed to its present name i.e., 'Waaree Energies Limited', pursuant to a fresh certificate of incorporation issued by the RoC on May 2, 2013.

Change in the registered office

Except as disclosed below, there has been no change in our registered office since our incorporation:

Effective date of change	Details of change	Reason(s) for change
April 14, 2000*	The registered office of our Company was changed from "233, Arun Chambers Tardeo Road, Mumbai 400 034" to "36/37 Damji Shyamji Ind Complex, Mahakali Caves Road, Andheri (East), Mumbai 400 093, Maharashtra"	Administrative and operational convenience
October 1, 2011	The registered office of our Company was changed from "36/37 Damji Shyamji Ind Complex, Mahakali Caves Road, Andheri (East), Mumbai 400 093, Maharashtra" to "602, 6th Floor, Western Edge - I, Western Express Highway, Borivali (East), Mumbai 400 066, Maharashtra"	Administrative and operational convenience

**We have been unable to trace filings with the RoC for the change in the registered office. The details of this change has been determined on the basis the minutes of the meetings of the board maintained by our Company. Also see, "Risk Factors – Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable" on page 55.*

Changes in the name of our Company

Except as disclosed below, there have been no changes in the name of our Company since incorporation:

Effective date of change	Details of change	Reason(s) for change
April 25, 2007	The name of our Company was changed from 'Anmol Fluid Connectors Private Limited' to 'Waaree Solar Private Limited'	To align with the group company name
October 15, 2007	The name of our Company was changed from 'Waaree Solar Private Limited' to 'Waaree Energies Priave Limited'	To reflect changes in the objects of the Company and add the word 'Energies' to the existing name
December 12, 2007	The name of our Company was changed from 'Waaree Energies Priave Limited' to 'Waaree Energies Private Limited'	To correct the typographical error in name from 'Priave' to 'Private'
May 2, 2013	The name of our Company was changed from 'Waaree Energies Private Limited' to 'Waaree Energies Limited'	Pursuant to conversion from private limited to public limited company

Main objects of our Company

The main objects contained in our Memorandum of Association are as mentioned below:

"To carry on the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging or otherwise dealing in all aspects of Thermal, Hydro, Nuclear, Solar, Wind power and power generated through Non-conventional / Renewable Energy sources including construction, generation, operation and maintenance, renovation and modernization of Power Stations, Gas Turbine, Wind Farms Projects and also to undertake the business of other allied / ancillary industries

including those for utilization / sale / supply of steam and ash generated at power stations and other by-products and install, operate and manage all necessary plants, items equipment, cables, wires, lines, establishments and works."

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

For details of key products or services launched by our Company, capacity/ facility creation, location of plants, entry into new geographies or exit from existing markets to the extent applicable, see "*Our Business*" on page 165.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' Resolution	Particulars
November 24, 2011	Clause V of our Memorandum of Association was substituted to reflect the increase in the authorized share capital of our Company from ₹25,00,00,000 comprising 2,50,00,000 equity shares of ₹10 each to ₹100,00,00,000 comprising 10,00,00,000 equity shares of ₹10 each
March 8, 2013	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from 'Waaree Energies Private Limited' to 'Waaree Energies Limited'
January 31, 2018	Clause V of our Memorandum of Association was substituted to reflect the increase in the authorized share capital of our Company, from ₹100,00,00,000 comprising 10,00,00,000 equity shares of ₹10 each to ₹500,00,00,000 comprising 50,00,00,000 equity shares of ₹10 each
September 1, 2021	Clauses III and IV of our Memorandum of Association were amended to comply with the requirements of the Companies Act, 2013.

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar year	Particulars
2007	Entered the solar energy sector with a 30 MW module manufacturing line
2014	Started a joint venture with North Eastern Electric Power Corporation Limited ("**NEEPCO**") for implementation of solar power project in Sehore, Madhya Pradesh
2017	Acquired 40% shares in Waaneep Solar Private Limited from NEEPCO pursuant to which Waaneep Solar Private Limited became our wholly owned subsidiary
2018	Commissioned solar photovoltaic modules plant having capacity of 1,000MW
	Divested Waaneep Solar Private Limited to Hero Solar Energy Private Limited in tranches
2019	Commissioned international EPC project of 49.5 MWp ground mounted Song Giang solar power project in Vietnam
2021	Acquired 500 MW Solar Module manufacturing facility to take total installed capacity to 2GW

Key awards, accreditations or recognitions

Our Company has received the following key awards, accreditation and recognition:

Calendar Year	Key Awards/ Accreditations
2017	Solar PV EPC company of the year at the India Solar Week Excellence 2017 awarded by Solar Quarter
	Leadership in the category of Solar PV EPC Company of the Year Utility Scale (50 MW – 100 MW) at the India Solar Week Excellence Awards 2017 awarded by Solar Quarter
	Leadership in the category of Solar Module Company of the Year Utility Scale (Domestic Manufacturer) at the India Solar Week Excellence Awards 2017 awarded by Solar Quarter
	Consumer choice award by Solar Quarter in the category of rooftop application, flexible modules (Waaree Merlin Modules)
	Dun and Bradstreet Everest Industries Limited award for Metro RESCO Solar PV Project
2018	Solar Module company of the year in solar sector at the CSR Leadership Awards by ET Now
	Solar Module company of the Year (Monocrystalline Technology) Domestic at the Indian Solar PV Module TECH India Awards 2018 awarded by Solar Quarter

Calendar Year	Key Awards/ Accreditations
	Top- 30 Evergreen in India for solar rooftop power plant ((i) Indian oil fuel retail outlet, Madhya Pradesh; (ii) Reliance Mumbai Metro; and (iii) Swaminarayan Temple, Gujarat) Awards by SKOCH
2019	Best Green Product manufacturer of the year at the Green India Awards 2019
	Leading Solar Module manufacturer award at the Renewable Energy India Awards by Informa Market
	Rooftop EPC Company of the Year in Industrial Category for 5 KW – 150 KW by EQ International at SuryaCon Chandigarh 2019

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries, associates or joint ventures

For details with respect to our Subsidiaries, see "*Our Subsidiaries*" on page 195.

As on the date of this Draft Red Herring Prospectus, our Company has an associate company, i.e., Shalibhadra Energies Private Limited. As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures.

Time/cost overrun

There have been no time/cost overruns in relation to implementation of our projects since incorporation.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/banks

As on the date of this Draft Red Herring Prospectus, there have been no defaults, restructuring or rescheduling of borrowings availed by our Company from financial institutions or banks.

Details of material acquisition or divestments in the last 10 years

Except as stated below, our Company has not undertaken a material acquisition or divestment of any business/undertaking in the 10 years preceding the date of this Draft Red Herring Prospectus:

1. Pursuant to the business transfer agreement dated March 5, 2021 ("**Business Transfer Agreement**") executed between Waaree Renewables Private Limited ("**Seller**") and our Company, our Company acquired the solar business undertaking, having manufacturing capacity of 0.50 GW, owned by the Seller as a going concern, on a slump sale basis for a lumpsum consideration of ₹20.93 million (net of liabilities), such that, after the proposed transaction, the valve business undertaking shall be carried out by the Seller exclusively and the solar business undertaking shall be carried out by the Purchaser exclusively.

2. Pursuant to the share purchase agreement dated July 11, 2018, as amended, along with the amended share purchase agreement dated December 31, 2018 executed between Hero Solar Energy Private Limited ("**Purchaser**"), Waaree Energies Limited, Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Waaneep Solar Private Limited ("**Waaneep Share Purchase Agreement**"), the Purchaser acquired 100% of the issued, subscribed and paid-up equity share capital of Waaneep Solar Private Limited along with the solar power project located in Andhra Pradesh ("**Nagari Project**") for which it paid an aggregate purchase consideration of ₹2,264.30 million and ₹67.30 million, respectively, aggregating to ₹2,331.60 million. Pursuant to letter dated November 9, 2018, the long stop date under the terms of the Waaneep Share Purchase Agreement was extended upto December 31, 2018 or such other later date as mutually agreed between the parties. Additionally, as per the terms of the Waaneep Share Purchase Agreement, an amount of ₹484.17 million is withheld by the Purchaser which will be remitted on closure of pending litigations and obligations in Waaneep Solar Private Limited. For further details, please see "*Restated Consolidated Financial Statements – Note 42 – Contingent Liabilities, Assets and Commitments*" on page 290. Accordingly, Waaneep Solar Private Limited ceased to be a subsidiary of our Company.

3. Pursuant to the shareholders agreement dated July 10, 2018 executed between Aditya Birla Renewables Limited ("**Purchaser**"), Waaree Renewable Technologies Limited (*formerly known as Sangam Renewables Limited)* ("**Seller**"), and Waacox Energy Private Limited, the Purchaser acquired 51% of the issued, subscribed and paid-up equity share capital of Waacox Energy Private Limited held by the Seller, thereby

acquiring 100% shares of Waacox Energy Private Limited, for a consideration of ₹416.04 million. Accordingly, Waacox Energy Private Limited ceased to be a step-down subsidiary of our Company with effect from July 5, 2021.

4. Pursuant to the securities transfer form dated August 11, 2021 ("**SH-4 Securities Transfer Form**") executed between our Company and our Group Company, Waaree Renewables Private Limited, our Company transferred its entire shareholding of 10,000 equity shares of face value ₹10 each in Saswata Solar Private Limited to Waaree Renewables Private Limited for an aggregate consideration of ₹0.10 million. Accordingly, Saswata Solar Private Limited ceased to be a subsidiary of our Company.

5. Our Company was allotted 1,08,00,000 equity shares of face value ₹10 each in Waaree Renewable Technologies Limited (*formerly known as Sangam Renewables Limited*) ("**Target Company**") by way of preferential allotment at a price of ₹18.50 per share, including premium of ₹8.50 per share, representing 51.89% of the Target Company's total paid-up equity share capital. This triggered an open offer requirement in terms of Regulations 3(1) and 3(2) of the SEBI Takeover Regulations. Thereafter, our Company made an open offer of upto 54,12,700 equity shares, representing 26% of the equity shares. Pursuant to the open offer, our Company acquired 78,841 fully-paid equity shares of face value ₹10 each for cash at a price of ₹18.50 per share, aggregating to ₹1.46 million, representing 0.38% of the emerging voting share capital of the Target Company on a fully diluted basis. The aggregate consideration for the transaction amounted to ₹201.26 million. The total post-offer shareholding of our Company in the Target Company is 52.27%.

Material mergers or amalgamation in the last 10 years

Our Company has not undertaken any material mergers or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus.

Revaluation of assets in the last 10 years

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Details of shareholders' agreements

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholder's agreements among our shareholders *vis-a-vis* our Company.

Other agreements

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

Significant financial and/or strategic partners

Except as disclosed below, our Company does not have any significant financial and/or strategic partners as of the date of filing this Draft Red Herring Prospectus.

Our Company and Azure Power India Private Limited ("**Azure**") have entered into a technology tie-up agreement dated August 5, 2020 whereby our Company has agreed to be the technical and technology partner for manufacturing of solar cells and modules in connection with the joint venture agreement dated January 6, 2020 entered into between our Company, Waaree Power Private Limited, and Azure for the tender issued by Solar Energy Corporation of India Limited for setting up a facility of 500 MW per annum modules and solar PV cell manufacturing capacity, along with cumulative capacity of 2,000 MW for setting up of solar PV power plant for supply, which was further increased to additional green shoe capacity of 500 MW per annum modules and solar PV cell manufacturing and additional green shoe capacity of 2,000 MW for supply of power on long term basis. Azure has subsequently indicated its intention to terminate such agreements, which is currently under discussion. For further information, see "*Risk Factors – Growing our business through acquisitions or joint ventures may* *subject us to additional risks that may adversely affect our business, financial condition, results of operations and prospects*” on page 51.

Details of guarantees given to third parties by our Promoters, participating in the Offer for Sale

As on the date of this Draft Red Herring Prospectus, Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Mahavir Thermoequip Private Limited our Promoter Selling Shareholders, have issued the following guarantees to third parties. These guarantees are in the nature of personal and corporate guarantees and have been issued towards contractual obligations in respect of loans availed by our Company or non- convertible debentures issued by the Company.

Sr. No.	Name of lender / debenture trustee	Name of borrower(s)	Type of borrowing/facility	Amount Guaranteed (in ₹ million)	Amount outstanding as on August 31, 2021 (in ₹ million)
1.	Vistra (ITCL) India Limited (“**Debenture Trustee**”)(1)	Our Company	Non-convertible debentures	750.00	750.00
2.	Indian Renewable Energy Development Agency(2)	Our Company	Term loan	1,686.70	802.60
3.	Indian Renewable Energy Development Agency(3)	Our Company	Term loan	519.65	306.85
4.	Indian Renewable Energy Development Agency(4)	Our Company	Term loan	51.97	41.57
5.	Consortium lending - State Bank of India, Bank of Maharashtra and IndusInd Bank(5)	Our Company	Working capital facilities	2,000	284.86

**As certified by SGCO & Co LLP, Chartered Accountants, pursuant to their certificate dated September 28, 2021*

(1) Guarantees were issued by Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi
(2) This guarantee was issued by Hitesh Chimanlal Doshi
(3) This guarantee was issued by Hitesh Chimanlal Doshi along with a member of the Promoter Group
(4) This guarantee was issued by Hitesh Chimanlal Doshi along with a member of the Promoter Group
(5) Guarantees was issued by (i) Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi, along with certain other members of Promoter Group; and (ii) Mahavir Thermoequip Private Limited.

The abovementioned guarantees are typically effective for a period till the underlying loan is repaid by the respective borrower. The financial implications in case of default by the relevant borrower would entitle the lenders to invoke the personal guarantees given by Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi and corporate guarantee by our corporate Promoter to the extent of outstanding loan amount. For details of security provided by the borrowers, see, “*Financial Indebtedness - Principal terms of the borrowings availed by us*” on page 356.

OUR SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has ten direct Subsidiaries and four step-down Subsidiaries, details of which are provided below.

Direct Subsidiaries

1. Waaree Power Private Limited;
2. Waaneep Solar One Private Limited;
3. Sangam Solar One Private Limited;
4. Sangam Solar Two Private Limited;
5. Sangam Solar Three Private Limited;
6. Sangam Solar Four Private Limited;
7. Blue Rays Solar Private Limited;
8. Rasila International Pte. Limited;
9. Waaree Renewable Technologies Limited; and
10. Waaree Solar Americas Inc.

Step-down Subsidiaries

11. Sangam Rooftop Solar Private Limited;
12. Waasang Solar Private Limited;
13. Waaree PV Technologies Private Limited; and
14. Waasang Solar One Private Limited.

Set out below are details of our Subsidiaries.

1. Waaree Power Private Limited ("WPPL")

Corporate Information

WPPL was incorporated as a private limited company on December 17, 2019, under the Companies Act, 2013. Its CIN is U40108MH2019PTC334568 and its registered office is situated at 602, 6th Floor, Western Edge- I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

WPPL is currently involved in the business of carrying out the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of WPPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	4,00,00,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of WPPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Energies Limited	7,399	73.99
2.	Hitesh Chimanlal Doshi (Nominee of Waaree Energies Limited)	1	*Negligible*
3.	Azure	2,600	26

Total	**10,000**	**100.00**

2. Waaneep Solar One Private Limited ("WSPL One")

Corporate Information

WSPL One was incorporated as a private limited company on June 16, 2018, under the Companies Act, 2013. Its CIN is U40300MH2018PTC310819 and its registered office is situated at 602, 6th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

WSPL One is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging, or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of WSPL One as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of WSPL One as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Energies Limited	9,999	99.99
2.	Hitesh Pranjivan Mehta (Nominee of Waaree Energies Limited)	1	*Negligible*
Total		**10,000**	**100.00**

3. Sangam Solar One Private Limited ("SSPL One")

Corporate Information

SSPL One was incorporated as a private limited company on February 4, 2020, under the Companies Act, 2013. Its CIN is U40300MH2020PTC337130 and its registered office is situated at 602, 6th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

SSPL One is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging, or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of SSPL One as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of SSPL One as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Energies Limited	9,999	99.99
2.	Pujan Pankaj Doshi (Nominee of Waaree Energies Limited)	1	*Negligible*
Total		**10,000**	**100.00**

4. Sangam Solar Two Private Limited ("SSPL Two")

Corporate Information

SSPL Two was incorporated as a private limited company on February 4, 2020, under the Companies Act, 2013. Its CIN is U40106MH2020PTC337132 and its registered office is situated at 602, 6th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

SSPL Two is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging, or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of SSPL Two as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of SSPL Two as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Energies Limited	9,999	99.99
2.	Pujan Pankaj Doshi (Nominee of Waaree Energies Limited)	1	*Negligible*
Total		**10,000**	**100.00**

5. Sangam Solar Three Private Limited ("SSPL Three")

Corporate Information

SSPL Three was incorporated as a private limited company on February 4, 2020, under the Companies Act, 2013. Its CIN is U40106MH2020PTC337134 and its registered office is situated at 602, 6th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

SSPL Three is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging, or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of SSPL Three as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	**No. of equity shares of face value of ₹10 each**
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of SSPL Three as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	**Name of the shareholder**	**Number of equity shares (of ₹10 each) held**	**Percentage of total capital (%)**
1.	Waaree Energies Limited	9,999	99.99
2.	Pujan Pankaj Doshi (Nominee of Waaree Energies Limited)	1	*Negligible*
Total		**10,000**	**100.00**

6. Sangam Solar Four Private Limited ("SSPL Four")

Corporate Information

SSPL Four was incorporated as a private limited company on February 4, 2020, under the Companies Act, 2013. Its CIN is U40100MH2020PTC337133 and its registered office is situated at 602, 6th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

SSPL Four is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging, or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of SSPL Four as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	**No. of equity shares of face value of ₹10 each**
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of SSPL Four as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	**Name of the shareholder**	**Number of equity shares (of ₹10 each) held**	**Percentage of total capital (%)**
1.	Waaree Energies Limited	9,999	99.99
2.	Pujan Pankaj Doshi (Nominee of Waaree Energies Limited)	1	*Negligible*
Total		**10,000**	**100.00**

7. Blue Rays Solar Private Limited (“BRSPL”)

Corporate Information

BRSPL was incorporated as a private limited company on October 3, 2010, under the Companies Act, 1956. Its CIN is U40106MH2010PTC208561 and its registered office is situated at 602, 6th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

BRSPL is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging, or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of BRSPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	1,20,00,000
Issued, subscribed and paid-up share capital	1,17,84,000

Shareholding Pattern

The shareholding pattern of BRSPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Energies Limited	1,17,83,999	99.99
2.	Virenkumar Chimanlal Doshi (Nominee of Waaree Energies Limited)	1	*Negligible*
Total		**1,17,84,000**	**100.00**

8. Rasila International Pte. Limited (“RIPL”)

Corporate Information

RIPL is a foreign subsidiary of our Company and was incorporated as a private limited company on October 19, 2011, under the Companies Act, (Cap.50) and the laws of Singapore. Its Company No. is 2011-31273-H and its registered office is situated at 7500A, Beach Road, #08-313., The Plaza, Singapore- 199591.

Nature of Business

RIPL is currently involved in the business of trading in all types of commodities such as metals, minerals, agricultural products, textiles, chemicals and other commodities with persons, corporations, partnerships, firms and associations.

Capital Structure

The capital structure of RIPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of ordinary shares of face value of $ 1 each
Authorised share capital	10,001
Issued, subscribed and paid-up share capital	10,001

Shareholding Pattern

The shareholding pattern of RIPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of ordinary shares (of $ 1 each) held	Percentage of total capital (%)
1.	Waaree Energies Limited	10,000	99.99
2.	Kalyanasundaram Maran	1	*Negligible*
Total		**10,001**	**100.00**

9. Waaree Renewable Technologies Limited ("WRTL")

WRTL was incorporated as 'Sangam Advisors Private Limited' on June 22, 1999, as a private limited company under the Companies Act, 1956. The name was subsequently changed to 'Sangam Advisors Limited' pursuant to conversion to a public limited company and a fresh certificate of incorporation issued by the RoC on November 18, 2011. The name was further changed to 'Sangam Renewables Limited', pursuant to a fresh certificate of incorporation issued by the RoC on May 3, 2018. Subsequently, the name was changed to its present name, Waaree Renewable Technologies Limited, pursuant to a fresh certificate of incorporation issued by the RoC on July 19, 2021. Its CIN is L93000MH1999PLC120470 and its registered office is situated at 504, 5th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai-400066.

The equity shares of WRTL are currently listed on the BSE (Scrip code: 534618). The board of directors have, in their meeting held on August 14, 2021, approved the limited review financial results of WRTL as at and for the three month period ended June 30, 2021 and pursuant to the requirement of the SEBI Listing Regulations disclosed said quarterly results to BSE vide an intimation dated August 14, 2021.

Nature of Business

WRTL is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, transmitting, distributing, supplying, exchanging or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewal energy sources.

Capital Structure

The capital structure of WRTL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	2,10,00,000
Issued, subscribed and paid-up share capital	2,08,14,834

Shareholding Pattern

In accordance with the SEBI Listing Regulations, WRTL is required to submit to the stock exchange(s) the shareholding pattern on a quarterly basis, within 21 days from the end of the end of each quarter. Accordingly, last available shareholding pattern of WRTL as on June 30, 2021 (as submitted to BSE) is as follows:

Category of shareholder	Nos. of shareholders	No. of fully paid-up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Locked in shares		Number of equity shares held in dematerialized form
							No.(a)	As a % of total Shares held(b)	
(A) Promoter and promoter group	7	1,55,10,049	1,55,10,049	74.51	1,55,10,049	74.51	41,62,967	26.84	1,55,10,049

Category of shareholder	Nos. of shareholders	No. of fully paid-up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Locked in shares		Number of equity shares held in dematerialized form
							No.(a)	As a % of total Shares held(b)	
(B) Public	2,554	53,04,785	53,04,785	25.49	53,04,785	25.49	-	0.00	53,04,785
(C1) Shares underlying depository receipts	-	-	-	0.00	-	0.00	-	0.00	-
(C2) Shares held by employee trust	-	-	-	0.00	-	0.00	-	0.00	-
(C) Non promoter-non public	-	-	-	0.00	-	0.00	-	0.00	-
Grand Total	**2,561**	**2,08,14,834**	**2,08,14,834**	**100.00**	**2,08,14,834**	**100.00**	**41,62,967**	**20.00**	**2,08,14,834**

10. Waaree Solar Americas Inc. ("Waaree Americas")

Corporate Information

Waaree Americas is a foreign subsidiary and was incorporated on April 21, 2021, under the General Corporation Law of the State of Delaware in the USA. Its Company File No. is 5861021 and its registered office is situated at 16192 Coastal Highway, Lewes, Sussex - 19958.

Nature of Business

Waaree Americas is incorporated to carry on the business of engaging in any lawful act or activity for which corporations may be organised under the general corporation law of Delaware.

Capital Structure

The capital structure of Waaree Americas as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of shares of face value of $ 0.0001 each
Authorised share capital	1,000,000
Issued, subscribed and paid-up share capital	Nil

Shareholding Pattern

As on the date of the Draft Red Herring Prospectus, our Company has not made any investment in Waaree Americas as per the applicable laws of the State of Delaware, USA.

11. Sangam Rooftop Solar Private Limited ("SRSPL")

Corporate Information

SRSPL was incorporated as '8M Solar Fund Private Limited' on September 14, 2016, under the Companies Act, 2013. The name was subsequently changed to its present name, Sangam Rooftop Solar Private Limited, pursuant to a fresh certificate of incorporation issued by the RoC on July 3, 2019. Its CIN is U74999MH2016PTC315380 and its registered office is situated at 504, 5th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

SRSPL is currently involved in the business of operating and managing any type of renewable or conventional energy power stations, promoting research and development, selecting suitable sites for solar power stations and ancillary facilities of every kind and description, and ensuring proper evacuation of power from such stations by providing for associated transmission facilities required for the purpose.

Capital Structure

The capital structure of SRSPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	2,50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of SRSPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of ordinary shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Renewable Technologies Limited	9,999	99.99
2.	Pujan Pankaj Doshi (Nominee of Waaree Renewable Technologies Limited)	1	*Negligible*
Total		**10,000**	**100.00**

Our Company, indirectly through our Subsidiary, Waaree Renewable Technologies Limited, holds shares in SRSPL.

12. Waasang Solar Private Limited ("WSPL")

Corporate Information

WSPL was incorporated as a private limited company on July 18, 2018, under the Companies Act, 2013. Its CIN is U40106MH2018PTC312031 and its registered office is situated at 504, 5th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

WSPL is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging, or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power and power generated through non-conventional / renewable energy sources.

Capital Structure

The capital structure of WSPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of WSPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of ordinary shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Renewable Technologies Limited	9,999	99.99
2.	Pujan Pankaj Doshi (Nominee of Waaree Renewable Technologies Limited)	1	*Negligible*

Sr. No.	Name of the shareholder	Number of ordinary shares (of ₹10 each) held	Percentage of total capital (%)
Total		**10,000**	**100.00**

Our Company, indirectly through our Subsidiary, Waaree Renewable Technologies Limited, holds shares in WSPL.

13. Waaree PV Technologies Private Limited ("WPTPL")

Corporate Information

WPTPL was incorporated as 'Anelec Engineering Private Limited' on October 24, 1985, under the Companies Act, 1956. The name was subsequently changed to its present name, Waaree PV Technologies Private Limited, pursuant to a fresh certificate of incorporation issued by the RoC on December 10, 2015. Its CIN is U40300DL1985PTC022322 and its registered office is situated at 504, 5th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

WPTPL is currently involved in the business of processing, fabricating, assembling, manufacturing, buying, importing, exporting, selling and dealing, both as wholesaler and retailer, in all kinds of electrical and electronic goods, apparatus, components, parts, devices, instruments, tools and accessories for any scientific, commercial, industrial, household or personal use or for any other purpose.

Capital Structure

The capital structure of WPTPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of WPTPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of ordinary shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Renewable Technologies Limited	9,999	99.99
2.	Pujan Pankaj Doshi (Nominee of Waaree Renewable Technologies Limited)	1	*Negligible*
Total		**10,000**	**100.00**

Our Company, indirectly through our Subsidiary, Waaree Renewable Technologies Limited, holds shares in WPTPL.

14. Waasang Solar One Private Limited ("WSOPL")

Corporate Information

WSOPL was incorporated as a private limited company on August 29, 2018, under the Companies Act, 2013. Its CIN is U40300MH2018PTC313194 and its registered office is situated at 504, 5th Floor, Western Edge-I, Western Express Highway, Borivali (East), Mumbai- 400066.

Nature of Business

WSOPL is currently involved in the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging or otherwise dealing in all aspects of thermal, hydro, nuclear, solar, wind power generated through non-conventional/renewal energy sources.

Capital Structure

The capital structure of WSOPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No. of equity shares of face value of ₹10 each
Authorised share capital	10,000
Issued, subscribed and paid-up share capital	10,000

Shareholding Pattern

The shareholding pattern of WSOPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of ordinary shares (of ₹10 each) held	Percentage of total capital (%)
1.	Waaree Renewable Technologies Limited	5,100	51.00
2.	Waaree Energies Limited	4,900	49.00
Total		**10,000**	**100.00**

Our Company, indirectly through our Subsidiary, Waaree Renewable Technologies Limited, also holds shares in WSOPL.

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company.

Interest in our Company

Except as provided in "*Our Business*" on page 165, neither our Subsidiaries nor Associate have any business interest in our Company.

Common pursuits

Neither our Subsidiaries nor our Associate is in the same line of business as that of our Company and accordingly, none of our Subsidiaries and Associate have any common pursuits with our Company.

Other confirmations

Except Waaree Renewable Technologies Limited whose equity shares are listed on BSE, none of our Subsidiaries have their securities listed on any stock exchange in India or abroad. Further, Waaree Renewable Technologies Limited has not failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable. Further, none of our Subsidiaries have been refused listing of their securities by any stock exchange in India or abroad.

OUR MANAGEMENT

Board of Directors

The Articles of Association of our Company require that our Board shall comprise of not less than three Directors and not more than fifteen Directors.

As on the date of filing this Draft Red Herring Prospectus, we have seven Directors on our Board, of whom four are Independent Directors including one woman independent director. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Hitesh Chimanlal Doshi *Designation*: Chairman and Managing Director *Date of birth*: February 22, 1967 *Address*: Near Jain Temple, 93, Mahagiri, Ashok Nagar, Kandivali (East), Mumbai - 400 101, Maharashtra *Occupation*: Business *Current term*: For a period of five years, with effect from May 2, 2019 till May 1, 2024 *Period of directorship*: Since February 16, 2007 *DIN*: 00293668	54	*Indian companies* 1. Saswata Solar Private Limited; 2. Waaree ESS Private Limited; 3. Waaree Power Private Limited; 4. Waaree Solar Private Limited; 5. Jain International Trade Organisation; 6. All India Solar Industries Association; and 7. Jito Digital Connect Limited. *Foreign companies* 8. RCD Europe Limited
Virenkumar Chimanlal Doshi *Designation*: Whole-time Director *Date of birth*: November 6, 1968 *Address*: Near Jain Temple, 93, Mahagiri, Ashok Nagar, Kandivali (East), Mumbai - 400 101, Maharashtra *Occupation*: Business *Current* term: For a period of five years, with effect from May 2, 2019 till May 1, 2024, liable to retire by rotation *Period of directorship*: Since November 26, 2007 *DIN*: 00207121	52	*Indian companies* 1. Blue Rays Solar Private Limited; 2. Omntec Waaree ATG Private Limited; 3. Waaneep Solar One Private Limited; 4. Waaree Infrastructure & Agritech Private Limited; 5. Waaree Power Private Limited; 6. Waaree Solar Private Limited; and 7. Waaree Renewable Technologies Limited. *Foreign companies* Nil
Hitesh Pranjivan Mehta *Designation*: Whole-time Director and Chief Financial Officer *Date of birth*: July 29, 1965 *Address*: F 202, Krishna Residency, Sundar Nagar, Near Dalmia College, Malad West, Mumbai - 400 064, Maharashtra *Occupation*: Business *Current* term: For a period of five years, with effect from May 2, 2019 till May 1, 2024, liable to retire by rotation	56	*Indian companies* 1. Blue Rays Solar Private Limited; 2. Sangam Rooftop Solar Private Limited; 3. Waaneep Solar One Private Limited; 4. Waaree PV Technologies Private Limited; 5. Waaree Renewable Technologies Limited; 6. Waaree Solar One Private Limited; 7. Waasang Solar One Private Limited; 8. Waasang Solar Private Limited; and 9. Saswata Solar Private Limited. *Foreign companies*

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Period of directorship: Since April 1, 2011 *DIN*: 00207506		1. Waaree Solar Americas Inc.
Sujit Kumar Varma *Designation*: Independent Director *Date of birth*: January 6, 1961 *Address*: A-20, Sterling Apartment, Pedder Road, Mumbai 400 026, Maharashtra *Occupation*: Professional *Current* term: For a period of five years, with effect from February 25, 2021 till February 24, 2026, not liable to retire by rotation *Period of directorship*: Since February 25, 2021 *DIN*: 09075212	60	*Indian companies* 1. Evyavan Assets Management Limited; 2. Evyavan Capital Advisors Limited; and 3. Tata Asset Management Limited *Foreign companies* Nil
Rajender Mohan Malla *Designation*: Independent Director *Date of birth*: May 15, 1953 *Address*: C- 4/19, Safdarjung Development Area, Hauz Khas, South-West, Delhi - 110 016 *Occupation*: Professional *Current* term: For a period of five years, with effect from January 16, 2019 till January 15, 2024, not liable to retire by rotation *Period of directorship*: Since January 16, 2019 *DIN*: 00136657	68	*Indian companies* 1. Adani Capital Private Limited; 2. Centillion Finance Limited; 3. IOL Chemicals and Pharmaceuticals Limited; 4. Metro Tyres Limited; 5. Morgan Arc Private Limited; 6. NextGen Telesolutions Private Limited; 7. Waaree Technologies Limited 8. Mumbai International Airport Limited; and 9. Navi Mumbai International Airport Private Limited *Foreign companies* Nil
Jayesh Dhirajlal Shah *Designation*: Independent Director *Date of birth*: May 27, 1965 *Address*: D/203, Panchsheel Heights, Mahavir Nagar, Dahanukar Wadi, Kandivali (West), Mumbai - 400 067, Maharashtra *Occupation*: Business *Current* term: For a period of five years, with effect from March 26, 2020 till March 25, 2025, not liable to retire by rotation *Period of directorship*: Since March 26, 2015 *DIN*: 00182196	56	*Indian companies* 1. Blue Rays Solar Private Limited; 2. Navkar Compliance Services Private Limited; and 3. Waaree Technologies Limited. *Foreign companies* Nil
Richa Manoj Goyal *Designation*: Independent Director *Date of birth*: January 8, 1975	46	*Indian companies* 1. Ami Organics Limited; 2. Shahlon Silk Industries Limited; and 3. Shree Ambaji Fibres Private Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Address: 501, Prakruti Apartment, Opposite Uma Bhavan, Bhatar Road, Surat - 395 017, Gujarat *Occupation*: Practicing Company Secretary *Current* term: For a period of five years, with effect from August 30, 2021 till August 29, 2026, not liable to retire by rotation *Period of directorship*: Since August 30, 2021 *DIN*: 00159889		*Foreign companies* Nil

Brief profiles of our Directors

Hitesh Chimanlal Doshi is the Chairman of our Board and Managing Director of our Company. He holds a bachelor's degree in commerce from the University of Mumbai. He also holds a doctorate in professional entrepreneurship in business project management from the European Continental University. He has been associated with our Company since 1999 and is currently responsible for, *inter alia*, overseeing our Company's financial performance, investments and other business ventures, providing strategic advice to the Board, developing and executing our Company's business strategies and establishing policies and legal guidelines. He has over 21 years of experience in the engineering industry.

Virenkumar Chimanlal Doshi is the Whole-time Director of our Company. He has passed the higher secondary exams from the Maharashtra State Board of Secondary and Higher Secondary Education. He has been associated with our Company since November 26, 2007 and is currently responsible for overseeing the engineering, procurement and construction of the solar projects of our Company, its Subsidiaries and other companies within the group. He has over 14 years of experience in the engineering industry.

Hitesh Pranjivan Mehta is the Whole-time Director of our Company. He holds a bachelor's degree in commerce from the University of Bombay and has been admitted to the Institute of Chartered Accountants of India as a member. He has been associated with our Company since April 1, 2011 as the director in Waaree Group. He is currently responsible for, *inter alia*, leading our Company's short and long-term strategy and setting strategic goals. He has over 22 years of experience in the field of engineering, solar and oil industries and was previously associated with Waaree Instruments Limited as director.

Sujit Kumar Varma is an Independent Director of our Company. He holds a bachelor's degree in arts from the Ranchi University. He has been associated with our Company since 2021. He has been associated with the State Bank of India in various capacities since 1987. He has over 34 years of experience in the banking industry and has held board positions in several banks, such as State Bank of India as the deputy managing director, SBI, New York branch as the chief executive officer, SBI Mauritius Limited and SBI UK Limited as director.

Rajender Mohan Malla is an Independent Director of our Company. He holds a bachelor's degree in commerce and a master's degree in business administration from the University of Delhi. He is also a certified associate of Indian Institute of Bankers. He has been associated with our Company since 2019. He has previously held the position of a director in various companies, such as SIDBI Venture Capital Limited, IDBI Capital Markets and Securities Limited and IDBI Asset Management Limited.

Jayesh Dhirajlal Shah is an Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Mumbai. He is a practising chartered accountant and a fellow member of the Institute of Chartered Accountants of India. He has been associated with our Company since 2015. He is the founding partner of J.D. Shah Associates, Chartered Accountants in 1988. He has over 33 years of experience in the field of taxation, audit, project finance and compliance services.

Richa Manoj Goyal is an Independent Director of our Company. She holds a bachelor's degree in commerce from H.A. Commerce College and a bachelor's degree in law from Gujarat University and is a practising company secretary. She has been associated with our Company since 2021. She is certified trademarks agent and she is currently the managing partner of the law firm 'Richa Goyal and Associates'.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Except Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi who are brothers, none of our Directors are related to each another.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as wilful defaulters as defined under the SEBI ICDR Regulations.

None of our Directors have been declared a Fugitive Economic Offender.

Arrangement or understanding with major Shareholders, customers, suppliers or others

There are no arrangements or understandings with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed or selected as a director.

Service contracts with Directors

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

Terms of appointment of our Executive Directors:

1. Hitesh Chimanlal Doshi

Our Board at their meeting held on April 18, 2019 approved the re-appointment of Hitesh Chimanlal Doshi as Managing Director for a period of five years. The Shareholders at their extra-ordinary general meeting held on May 2, 2019 have approved the re-appointment of Hitesh Chimanlal Doshi for a period five years with effect from May 2, 2019. Our Board at their meeting held on September 17, 2021 approved the appointment of Hitesh Chimanlal Doshi as Chairman. The following table sets forth the terms of appointment of Hitesh Chimanlal Doshi as approved by our Shareholders at their meeting held on May 2, 2019.

Sr. No.	Particulars	Remuneration
1.	Salary	₹27 million per annum plus 1% of net profits, with overall limits not exceeding ₹33.80 million per annum
2.	Perquisites and allowances	• contribution by our Company to provident fund, superannuation fund or annuity fund; • gratuity payable at a rate not exceeding half a month's salary for each completed year of service; • encashment of leave at the end of the tenure; and • reimbursement of all out-of-pocket expenses which may be incurred by him for and in the course of business of our Company.

2. Virenkumar Chimanlal Doshi

Our Board at their meeting held on April 18, 2019 approved the re-appointment of Virenkumar Chimanlal Doshi as Whole-time Director for a period of five years. The Shareholders at their extra-ordinary general meeting held on May 2, 2019 have approved the re-appointment of Virenkumar Chimanlal Doshi for a period five years with effect from May 2, 2019. The following table sets forth the terms of appointment of Virenkumar Chimanlal Doshi as approved by our Shareholders at their meeting held on May 2, 2019.

Sr. No.	Particulars	Remuneration
1.	Salary	₹20.30 million per annum plus 1% of net profits, with overall limits not exceeding ₹27.00 million per annum
2.	Perquisites and allowances	• contribution by our Company to provident fund, superannuation fund or annuity fund; • gratuity payable at a rate not exceeding half a month's salary for each completed year of service; • encashment of leave at the end of the tenure; and • reimbursement of all out-of-pocket expenses which may be incurred by him for and in the course of business of our Company.

3. Hitesh Pranjivan Mehta

Our Board at their meeting held on April 18, 2019 approved the re-appointment of Hitesh Pranjivan Mehta as a Whole-time Director for a period of five years. The Shareholders at their extra-ordinary general meeting held on May 2, 2019 have approved the re-appointment of Hitesh Pranjivan Mehta for a period five years with effect from May 2, 2019. The following table sets forth the terms of appointment of Hitesh Pranjivan Mehta as approved by our Shareholders at their meeting held on May 2, 2019.

Sr. No.	Particulars	Remuneration
1.	Salary	₹27.00 million per annum plus 1% of net profits, with overall limits not exceeding ₹33.80 million per annum
2.	Perquisites and allowances	• contribution by our Company to provident fund, superannuation fund or annuity fund; • gratuity payable at a rate not exceeding half a month's salary for each completed year of service; • encashment of leave at the end of the tenure; and • reimbursement of all out-of-pocket expenses which may be incurred by him for and in the course of business of our Company.

Terms of appointment of our Independent Directors

Pursuant to the Board resolution dated August 30, 2021 each Independent Director, is entitled to receive sitting fees of ₹50,000 per meeting for attending meetings of the Board and of the respective committees of the Board, within the limits prescribed under the Companies Act, 2013, and the rules made thereunder.

Payments or benefits to Directors

Our Company has not entered into any contract appointing or fixing the remuneration of a Director in the two years preceding the date of this Draft Red Herring Prospectus.

In Fiscal 2021, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration paid to them for such period. The remuneration paid to our Directors in Fiscal 2021 is as follows:

1. Executive Directors

The details of the remuneration paid to our Executive Directors in Fiscal 2021 is as set out below:

Name of Director	Designation	Remuneration (in ₹ million)
Hitesh Chimanlal Doshi	Chairman and Managing Director	20.03
Virenkumar Chimanlal Doshi	Whole time Director	12.98
Hitesh Pranjivan Mehta	Whole time Director	20.28

2. Independent Directors

Other than as disclosed below, none of our Independent Directors were paid any sitting fees in Fiscal 2021:

Name of Director	Designation	Sitting Fees (in ₹ million)
Rajender Mohan Malla	Independent Director	0.35
Jayesh Dhirajlal Shah	Independent Director	0.35
Sujit Kumar Varma	Independent Director	Nil*

**Appointed on February 25, 2021*

Richa Manoj Goyal, our Company's Independent Director, was appointed on August 30, 2021. Accordingly, she was not paid any sitting fees in Fiscal 2021.

Remuneration paid by our Subsidiaries

As on date of this Draft Red Herring Prospectus, none of our Directors have received any remuneration from the Subsidiaries of our Company.

Remuneration paid by our Associate company

As on date of this Draft Red Herring Prospectus, none of our Directors have received any remuneration from our Associate company.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors, as on date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	Number of Equity Shares held
1.	Hitesh Chimanlal Doshi	14,104,082
2.	Virenkumar Chimanlal Doshi	10,954,007
3.	Hitesh Pranjivan Mehta	650,000
4.	Jayesh Dhirajlal Shah	25,500

Borrowing Powers

Pursuant to our Articles of Association, the applicable provisions of the Companies Act, 2013, and a resolution passed by our Shareholders at their annual general meeting held on December 30, 2016, our Board has been authorized to borrow from time to time, for the purpose of our Company's business, any sums or sums of money for an aggregate amount outstanding at any point of time not exceeding ₹10,000 million, i.e. any component of borrowing repaid by our Company to the persons/lending institution will again be available to our Company for borrowing as long as the said ceiling of the outstanding amount, notwithstanding that the monies already borrowed by our Company, if any (apart from temporary loans obtained from the Company's bankers in ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Contingent and deferred compensation payable to Directors

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

Interest of Directors

All of our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees thereof as approved by our Board, the reimbursement of expenses payable to them, and commission as approved by our Board.

Our Executive Directors may be deemed to be interested to the extent of the remuneration payable to each of them by our Company as Directors of our Company. For further details, please see "*Our Management - Terms of appointment of our Executive Directors*" on page 208.

Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Hitesh Pranjivan Mehta may also be interested to the extent of their shareholding in our Company, and to the extent of any dividend payable to them and other distributions in respect of such shareholding.

Our Directors may also be interested to the extent of their shareholding in our Subsidiaries, and to the extent of any dividend payable to them and other distributions in respect of such shareholding. The table below sets forth details of equity shares held by the Directors in our Subsidiaries, as on date of this Draft Red Herring Prospectus:

No.	Name of the Director	Name of the Subsidiary	Number of equity shares held
1.	Hitesh Chimanlal Doshi	Waaree Renewable Technologies Limited	9,19,011
		Waaree Power Private Limited	1*
2.	Viren Chimanlal Doshi	Blue Rays Solar Private Limited	1*
3.	Hitesh Pranjivan Mehta	Waaneep Solar One Private Limited	1*
		Waaree Renewable Technologies Limited	3,00,000

**Equity shares held in the capacity of nominee of our Company.*

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

No sum has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or otherwise for services rendered by such Directors or by such firms or companies in connection with the promotion or formation of our Company.

Other than as disclosed herein and in "*Restated Consolidated Financial Statement - Related Party Transactions*" on page 296, our Directors are not interested in our Company. For further details, refer to related party transactions in "*Restated Consolidated Financial Statements*" on page 235.

No loans have been availed or extended by our Directors from, or to, our Company or the Subsidiaries.

Other than Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi, none of our Directors have any interest in the promotion or formation of our Company.

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Other than the indirect interest of our Directors, Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi (on account of their respective shareholding in WRPL) with respect to the acquisition of the land situated at Chikhli, Gujarat by our Company from WRPL, our Directors do not have any interest (direct or indirect) in any property acquired by our Company in the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building and supply of machinery. For further details see, "*Group Companies - In transactions for acquisition of land, construction of building and supply of machinery, etc*" and "*Objects of the Offer*" on pages 233 and 98.

Changes to our Board in the last three years

Name	Date of appointment/ cessation	Designation (at the time of appointment/cessation)	Reason
Modesto Volpe	September 26, 2021	Non-Executive Director	Resignation
Richa Manoj Goyal	August 30, 2021	Independent Director	Appointment
Binita Hitesh Doshi	August 30, 2021	Non-Executive Director	Resignation
Samir Surendra Shah	January 5, 2021	Non-Executive Director	Resignation
Sujit Kumar Varma	February 25, 2021	Independent Director	Appointment
Rajender Mohan Malla	January 16, 2019	Independent Director	Appointment

Note: The table above does not include certain changes including regularisation or change in designations.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have seven Directors on our Board, of whom four are Independent Directors

Committees of our Board

Our Board may constitute committees to delegate certain powers as permitted under the Companies Act, 2013.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

1. ***Audit Committee***

The Audit committee was last re-constituted by a resolution of our Board dated August 30, 2021. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Rajender Mohan Malla	Chairman	Independent Director
Hitesh Pranjivan Mehta	Member	Whole-time Director and CFO
Richa Manoj Goyal	Member	Independent Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The scope and function of the Audit committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

The roles and responsibilities of the Audit Committee include the following:

(i) The Audit Committee shall have powers, which should include the following:

(a) investigate any activity within its terms of reference;

(b) seek any information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and

(c) call any director or other employee to be present at a meeting of the Committee as and when required.

(d) secure attendance of outsiders with relevant expertise, if it considers necessary; and

(e) perform such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Valuation of undertakings or assets of the company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(r) 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;

(s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(u) Monitoring the end use of funds raised through public offers and related matters;

(v) Reviewing the functioning of the whistle blower mechanism;

(w) Approval of the appointment of the chief financial officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(x) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;

(y) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(z) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairman of the Audit Committee for directors and employees to report their genuine concerns or grievances;

(aa) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;

(bb) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders; and

(cc) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;

(c) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(d) Internal audit reports relating to internal control weaknesses;

(e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(f) Statement of deviations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

- annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and

- review the financial statements, in particular, the investments made by any unlisted subsidiary.

(iv) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

(v) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

The Audit Committee is required to meet at least four times in a year, with not more than 120 days elapsing between two meetings.

2. ***Nomination and Remuneration Committee ("NR Committee")***

The NR Committee was last re-constituted by a resolution of our Board dated August 30, 2021. The current constitution of the NR Committee is as follows:

Name of Director	Position in the Committee	Designation
Richa Manoj Goyal	Chairperson	Independent Director
Jayesh Dhirajlal Shah	Member	Independent Director
Rajender Mohan Malla	Member	Independent Director

The scope and function of the NR Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

(a) To be responsible for identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;

(b) To formulate 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;

The NR Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(c) To identify 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 their appointment and removal;

(d) To devise a policy on diversity of board of directors;

(e) To regularly review the Board structure, size, composition and make recommendations to the Board of adjustments that are deemed necessary, in order to ensure an adequate size and a well-balanced composition of the Board and further to make determinations regarding independence of members of the Board;

(f) To consider succession and emergency planning, taking into account the challenges and opportunities facing the Company and the skills and expertise therefore needed on the Board, reporting to the Board regularly;

(g) To keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the market place;

(h) To formulate criteria for evaluation of performance of independent directors and the board of directors;

(i) To decide on whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

(j) To analyse, monitor and review various human resource and compensation matters;

(k) Annual performance evaluation of the Chairman of the Company and all Directors including Managing and other Executive Director with respect to their roles as Directors;

(l) To ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;

(m) To recommend to the Board whether to reappoint a Director/Independent Director at the end of their term of office;

(n) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the Company subject to the provision of the law and their service contract;

(o) To identify and recommend Directors who are to be put forward for retirement by rotation;

(p) Before appointment is made by the Board, to evaluate the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment;

(q) To ensure the development of guidelines for selecting candidates for election or re-election to the Board, or to fill vacancies on the Board;

(r) To consider any other matters as may be requested by the Board;

(s) To frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, by the Company and its employees, as applicable including:

    (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

    (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and

    (iii) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

The duties of the Committee in relation to its remuneration function shall be:

(t) To consider and determine, based on their performance and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board and the Key Managerial Personnel, namely,

(i) base salary (the Committee shall also consider the pension consequences of basic salary increases);

(ii) bonuses and performance-related payments (including profit-sharing schemes);

(iii) discretionary payments;

(iv) pension contributions;

(v) benefits in kind; and

(vi) share options and their equivalents

(u) To approve the remuneration of other members of the senior management of the Company;

(v) To review and approve compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(w) In relation to the above, the Committee shall at all times give due regard to published or other available information relating to pay, bonuses and other benefits of executives in companies which are comparable to the Company;

(x) To perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(y) To administer the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:

(i) Determining the eligibility of employees to participate under the ESOP Scheme;

(ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) Date of grant;

(iv) Determining the exercise price of the option under the ESOP Scheme;

(v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(x) The grant, vest and exercise of option in case of employees who are on long leave;

(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;

(xii) The procedure for cashless exercise of options;

(xiii) Forfeiture/ cancellation of options granted;

(xiv) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- ➢ The number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;

- ➢ For this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

- ➢ The vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(z) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(aa) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended,

by the Company and its employees, as applicable;

(bb) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority;

(cc) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations; and

(dd) To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board. The committee is authorised by the Board to:

(a) investigate any activity within its terms of reference;

(b) seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and

(c) call any director or other employee to be present at a meeting of the Committee as and when required.

If the Committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

The NR Committee shall meet at least once a year.

3. ***Corporate Social Responsibility Committee ("CSR Committee")***

The CSR Committee was reconstituted by a resolution of our Board dated August 30, 2021. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the Committee	Designation
Hitesh Chimanlal Doshi	Chairman	Chairman and Managing Director
Hitesh Pranjivan Mehta	Member	Whole-time Director
Jayesh Dhirajlal Shah	Member	Independent Director

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, are as follows:

(a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(e) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(f) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

4. ***Stakeholders Relationship Committee ("SR Committee")***

The SR Committee was re-constituted by a resolution of our Board dated September 28, 2021. The current constitution of the SR Committee is as follows:

Name of Director	Position in the Committee	Designation
Sujit Kumar Varma	Chairman	Independent Director
Hitesh Pranjivan Mehta	Member	Whole-time Director and CFO
Virenkumar Chimanlal Doshi	Member	Whole-time Director

The scope and function of the SR committee is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

(a) To redress and resolve the grievances of the security holders and investors of the Company including complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report, balance sheet, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(b) To consider and look into various aspects of interest of shareholders, debenture holders and other security holders;

(c) To review of measures taken for effective exercise of voting rights by shareholders;

(d) To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(e) To give effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(f) To review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(g) To review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

(h) To carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

The committee is authorised by the Board to:

(a) investigate any activity within its terms of reference;

(b) seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and

(c) call any director or other employee to be present at a meeting of the committee as and when required.

If the committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

The Stakeholders Relationship Committee shall meet at least once a year.

5. **Risk Management Committee**

The Risk Management Committee was constituted by a resolution of our Board dated August 30, 2021. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Hitesh Pranjivan Mehta	Chairman	Whole-time Director and CFO
Rajender Mohan Malla	Member	Independent Director
Sujit Kumar Varma	Member	Independent Director

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference are as follows:

(a) To periodically review the Risk Management Policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(b) To formulate a detailed Risk Management Policy covering risk across functions and plan integration through training and awareness programmes. The Policy shall include:

(i) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

(iii) Business continuity plan.

(c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) To consider the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(g) Seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

(h) Coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

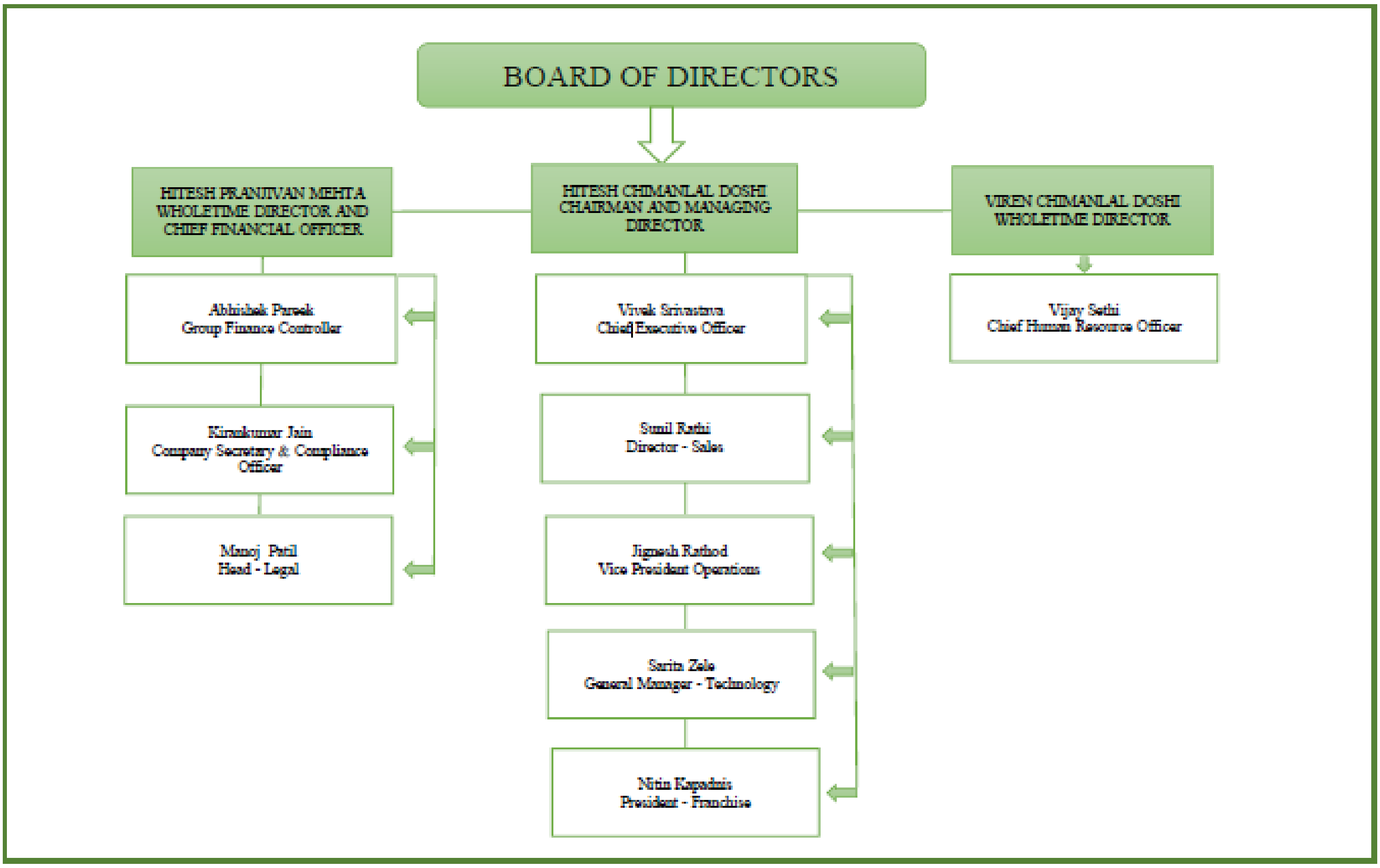
(i) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(j) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and

(k) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

The Risk Management Committee shall meet at least twice a year.

Management organization chart



Key Managerial Personnel

In addition to Hitesh Chimanlal Doshi, our Chairman and Managing Director, Virenkumar Chimanlal Doshi, our Whole-time Director and Hitesh Pranjivan Mehta, our Whole-time Director and Chief Financial Officer whose details are provided in "*Our Management - Brief profiles of our Directors*" on page 207, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Vivek Srivastava is the Chief Executive Officer of our Company. He holds a bachelor's degree of engineering from the Malaviya Regional Engineering College, Jaipur. He was appointed by our Company on August 30, 2021 and is currently responsible for, *inter alia,* setting strategic goals, leading the development of our Company's short and long-term goals and assessing, monitoring and minimising risks to our Company, its subsidiaries and other companies within the group. He was previously associated with Reliance BP Mobility Limited as the senior vice president. Since he was appointed on August 30, 2021, he has not received any remuneration in Fiscal 2021 from our Company.

Kirankumar Jain is the Company Secretary and Compliance Officer of our Company. He is a member of the Institute of Company Secretaries of India. He has been associated with our Company since May 17, 2018 and is currently responsible for corporate secretarial and compliance functions of the Company. He was previously associated with Rama Phosphates Limited as the company secretary. In Fiscal 2021, he received a remuneration of ₹1.52 million from our Company.

Sarita Zele is the General Manager-Technology of our Company. She holds a bachelor's degree in chemical engineering and a master's degree in chemical engineering from the Indian Institute of Technology, Bombay and is a Doctor of Philosophy from the University of Pittsburgh. She has been associated with our Company since February 8, 2021 and is currently responsible for overseeing the technical functions of the Company, its subsidiaries and other companies within the group. She was previously associated with Soitec Solar Industries LLC, Silevo Inc. and Indian Institute of Technology, Bombay as operations quality manager, quality/operational excellence senior engineer and chief technology officer, respectively. In Fiscal 2021, she received a remuneration of ₹0.33 million from our Company.

Manoj Patil is the Head-Legal of our Company. He holds a bachelor's degree in law from the Shivaji University, Kolhapur and is also a member of the Institute of Company Secretaries of India. He has been associated with our Company since June 14, 2021 and is currently responsible for overseeing the legal functions of the Company, its subsidiaries and other companies within the group. He was previously associated with Zuari Indian Oil Tanking Limited, Vizag General Cargo Berth Private Limited, Varroc Engineering Limited, Sarjan Realities Private Limited, South West Port Limited and Danieli India Limited in various legal and secretarial capacities. Since he was appointed on June 14, 2021, he has not received any remuneration in Fiscal 2021 from our Company.

Vijay Sethi is the Chief Human Resource Officer. He holds a bachelor's degree in science from the M.S. University of Baroda. He also holds a post graduate diploma in business administration from the Institute for Technology and Management. He was previously associated with Tata Housing Development Company Limited. He has been associated with our Company since September 1, 2021 and is currently responsible for overseeing the human resources functions of the Company, its subsidiaries and other companies within the group. Since he was appointed on September 1, 2021, he has not received any remuneration in Fiscal 2021 from our Company.

Nitin Kapadnis is the President- Franchise of our Company. He holds a bachelor's degree in engineering and a master's degree in business administration from the University of Pune. He was previously associated with Airtel as the senior manager- sales. He was also associated with HCL Hewlett Packard Limited, ESDS Software Solutions Private Limited, Sify Technologies Limited, Reliance Communications Limited, GTL Limited. He has been associated with our Company since February 15, 2017 and is currently responsible for overseeing the franchise functions of the Company, its subsidiaries and other companies within the group. In Fiscal 2021, he received a remuneration of ₹6.75 million from our Company.

Jignesh Rathod is the Vice President Operations of our Company. He holds a bachelor's degree of engineering from the Gujarat University and a post graduate diploma in business management from SVKM's NMIMS deemed-to-be University. He also holds a master's degree business administration for working executives from SVKM's NMIMS deemed-to-be University. He has been associated with our Company since November 28, 2007. He is currently responsible for overseeing the operational functions at the factories of the Company. In Fiscal 2021, he received a remuneration of ₹10.23 million from our Company.

Abhishek Pareek is the Group Finance Controller of our Company. He holds a bachelor's degree of commerce from the University of Delhi. He is also a member of the Institute of Chartered Accountants of India. He was previously associated with Shubhalakshmi Polyesters Limited as chief financial officer and with Bothra Metals & Alloys Limited. He has been associated with our Company since September 25, 2017 and is currently responsible for overseeing finance functions of the Company, its subsidiaries and other companies within the group. In Fiscal 2021, he received a remuneration of ₹4.25 million from our Company.

Sunil Rathi is the Director- Sales. He holds a bachelor's degree in electronics engineering from the Amravati University. He also holds a master's degree in business administration from the Institute for Technology and Management. He was previously associated with Vikram Solar limited. He has been associated with our Company since September 1, 2015 and is currently responsible for overseeing the sales functions of the Company and its subsidiaries and other companies within the group. In Fiscal 2021, he received a remuneration of ₹10.93 million from our Company.

All our Key Managerial Personnel are permanent employees of our Company.

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel are entitled to receive any benefits on their retirement or on termination of their employment with our Company.

Family relationships between Directors and Key Managerial Personnel

Other than Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi who are brothers, none of our Directors or Key Managerial Personnel are related to each another.

Arrangements and Understanding with Major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Managerial Personnel

None of our Key Managerial Personnel (other than our Directors) hold any Equity Shares as on date of this Draft Red Herring Prospectus.

Service Contracts with Key Managerial Personnel

Our Key Managerial Personnel have not entered into any service contracts with our Company pursuant to which our Key Managerial Personnel are entitled to benefits upon termination / retirement of employment. Except for statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company, including Key Managerial Personnel, is entitled to any benefit upon termination of employment.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to Key Managerial Personnel, which does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel

Except for the payment of a bonus as per the provisions of the Bonus Act, 1965, our Company does not have any bonus or profit sharing plan.

Interest of Key Managerial Personnel

For details of the interest of our Executive Directors in our Company, see "*Our Management – Interest of Directors*" on page 211.

None of our Key Managerial Personnel (other than our Directors) are interested in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Changes in the Key Managerial Personnel in last three years:

For details of the changes in our Executive Directors, see "*Our Management – Changes to our Board in the last three years"* on page 212. The changes in our Key Managerial Personnel (other than our Directors) in the three years preceding the date of this Draft Red Herring Prospectus is as mentioned below:

Name	Designation	Date of Change	Reason
Vivek Srivastava	Chief Executive Officer	August 30, 2021	Appointment
Hitesh Pranjivan Mehta	Chief Financial Officer	June 29, 2021	Appointment
Manoj Patil	Head- Legal	June 14, 2021	Appointment
Sarita Zele	General Manager- Technology	February 08, 2021	Appointment
Abhishek Pareek	Chief Financial Officer	June 29, 2021	Resignation
Hitesh Pranjivan Mehta	Chief Financial Officer	September 4, 2020	Resignation
Abhishek Pareek	Chief Financial Officer	September 4, 2020	Appointment

The attrition of the Key Managerial Personnel of our Company is not high compared to the industry.

Payment or Benefit to officers of our Company (non-salary related)

Apart from salaries, no amount or benefit has been paid or given since incorporation or intended to be paid or given to any officer of the Company, including our directors and Key Managerial Personnel.

Employee Stock Option

For details of our Company's ESOP Scheme and grant of options made thereunder, see "*Capital Structure – Employee Stock Option Scheme*" on page 96.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Mahavir Thermoequip Private Limited. As on the date of this Draft Red Herring Prospectus, Hitesh Chimanlal Doshi holds 14,104,082 Equity Shares, Virenkumar Chimanlal Doshi holds 10,954,007 Equity Shares and Mahavir Thermoequip Private Limited holds 57,826,867 Equity Shares, representing 7.15%, 5.56% and 29.33%, respectively, of the pre-Offer issued, subscribed and paid-up equity share capital of our Company. For details, please see the section titled "*Capital Structure – Build-up of the Promoter's shareholding in our Company*" on page 90.

Details of our Promoters are as follows: ***Individual Promoters***

1. Hitesh Chimanlal Doshi

Hitesh Chimanlal Doshi, aged 54 years, is our Promoter and is also the Chairman and Managing Director on our Board.

Date of Birth: February 22, 1967

Address: Near Jain Temple, 93, Mahagiri, Ashok Nagar, Kandivali (East), Mumbai 400 101, Maharashtra

Permanent Account Number: AABPD0625P

Aadhar Card Number: [redacted]

Driving License: MH04 19940031929

For the complete profile of Hitesh Chimanlal Doshi, along with details of his educational qualifications, experience in the business or employment, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 205.

2. Virenkumar Chimanlal Doshi

Virenkumar Chimanlal Doshi, aged 52 years, is our Promoter and is also the Whole-time Director on our Board.

Date of Birth: November 6, 1968

Address: Near Jain Temple, 93, Mahagiri, Ashok Nagar, Kandivali (East), Mumbai 400 101, Maharashtra

Permanent Account Number: AABPD0626Q

Aadhar Card Number: [redacted]

Driving License: Virenkumar Chimanlal Doshi does not hold a valid driving license

For the complete profile of Virenkumar Chimanlal Doshi, along with details of his educational qualifications, experience in the business or employment, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 205.

Our Company confirms that the permanent account number and bank account number and passport number of Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Corporate Promoter

3. Mahavir Thermoequip Private Limited ("MTPL")

MTPL was incorporated on February 9, 1994 as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai. The company identification number of MTPL is U33120MH1994PTC076496. The registered office of MTPL is situated at 602, Western Edge-I, Off Western Express Highway, Borivali (East), Mumbai 400 066, Maharashtra.

MTPL is primarily engaged in the business of manufacturing, assembling, fabricating, dealing and trading of engineering, mechanical, electrical, scientific, hydraulic, pneumatic, electronic, thermal, computers, electronic surveying equipment and instruments. There have been no changes to the primary business activities undertaken by MTPL.

Board of directors of MTPL

The board of directors of MTPL as on the date of this Draft Red Herring Prospectus is as follows:

1. Pankaj Chimanlal Doshi
2. Nipa Viren Doshi

Capital Structure

The capital structure of MTPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	**Number of equity shares of face value of ₹10 each**
Authorised share capital	200,000
Issued, paid-up and subscribed share capital	200,000

Shareholding Pattern

The shareholding pattern of MTPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	**Name of Shareholders**	**No of equity shares of face value of ₹10 each**	**% shareholding**
1.	Kirit Chimanlal Doshi	43,231	21.62
2.	Virenkumar Chimanlal Doshi	42,261	21.13
3.	Binita Hitesh Doshi	30,434	15.22
4.	Hitesh Chimanlal Doshi	19,566	9.78
5.	Pankaj Chimanlal Doshi	18,000	9.00
6.	Pujan Pankaj Doshi	16,000	8.00
7.	Rushabh Pankaj Doshi	16,000	8.00
8.	Nipa Viren Doshi	7,739	3.87
9.	Bindiya Kirit Doshi	6,769	3.38
Total		**2,00,000**	**100.00**

Promoters of MTPL

As per the annual return filed by MTPL for Fiscal 2021 the following persons have been identified as promoters of MTPL:

(i) Binita Hitesh Doshi; (ii) Hitesh Chimanlal Doshi; (iii) Bindiya Kirit Doshi; (iv) Kirit Chimanlal Doshi; (v) Pankaj Chimanlal Doshi; (vi) Pujan Pankaj Doshi; (vii) Rushabh Pankaj Doshi; (viii) Nipa Viren Doshi; and (ix) Virenkumar Chimanlal Doshi.

Change in control

There has been no change in the control of MTPL during the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account number, company registration number and address of the registrar of companies where MTPL is registered have been submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Change in control of our Company

There has been no change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Other than as disclosed in this section, "*Our Management – Other Directorships*" on page 205, our Promoters are not involved in any other ventures.

Interests of our Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable and any other distributions in respect of their shareholding in our Company. For further details, see "*Capital Structure - Build-up of the Promoter's shareholding in our Company*" on page 90. Additionally, our Promoters may also be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For further details, please see *"Restated Consolidated Financial Statements - Related Party Disclosures"* on page 296.

Further, Hitesh Chimanlal Doshi and Virenkumar Chimanlal Doshi are also interested in our Company as the Chairman and Managing Director and Whole-time Director of the Board, respectively, and may be deemed to be interested in the terms of their appointment as such, including in relation to benefits, remuneration, reimbursement of expenses, etc. For further details, see "*Our Management*" on page 205. Our Promoters are also interested to the extent of providing personal guarantees for some of the loans availed by our Company. For further details, see "*History and Certain Corporate* Matters" on page 190.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise, by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firm or company, in connection with the promotion or formation of our Company. Other than our Subsidiaries, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Interest in property, land, construction of building and supply of machinery

Other than the indirect interest of our individual Promoters (on account of their respective shareholding in WRPL) with respect to the acquisition of the land situated at Chikhli, Gujarat by our Company from WRPL, our Promoters do not have any interest (direct or indirect) in any property acquired by our Company in the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building and supply of machinery. For further details see, "*Group Companies - In transactions for acquisition of land, construction of building and supply of machinery, etc*" and "*Objects of the Offer*" on pages 233 and 98.

Payment or Benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in "*Restated Consolidated Financial Statements - Related Party Disclosures*" on page 296, there have been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Disassociation by Promoters in the last three years

Our Promoters have not disassociated themselves from any companies or firms during the preceding three years from the date of this Draft Red Herring Prospectus.

Material Guarantees

For details regarding material guarantees given by our Promoters to any third party, please see "*History and Certain Corporate Matters – Details of guarantees given to third parties by our Promoters, participating in the Offer for Sale*".

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

Name of Promoter	Name of member of the Promoter Group	Relationship with the Promoter
Hitesh Chimanlal Doshi	Rasila Chimanlal Doshi	Mother
	Chimanlal Tribhovandas Doshi	Father
	Kiritkumar Chimanlal Doshi	Brother
	Pankaj Chimanlal Doshi	Brother
	Binita Hitesh Doshi	Spouse
	Ankit Hitesh Doshi	Son
	Chaitali Hitesh Doshi	Daughter
	Bhartiben Vinaykant Shah	Spouse's mother
	Kashmira Divyang Shah	Spouse's sister
	Rupal Pritesh Shah	Spouse's sister
	Kaushik Vinaykant Shah	Spouse's brother
Virenkumar Chimanlal Doshi	Rasila Chimanlal Doshi	Mother
	Chimanlal Tribhovandas Doshi	Father
	Kiritkumar Chimanlal Doshi	Brother
	Pankaj Chimanlal Doshi	Brother
	Nipa Viren Doshi	Spouse
	Maitri Viren Doshi	Daughter
	Kushboo Palak Shah	Daughter
	Pragnaben Anantrai Shah	Spouse's mother
	Amish Anantrai Shah	Spouse's brother
	Sona T Ramani	Spouse's sister
	Swati S Shah	Spouse's sister

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group, other than our corporate Promoter, are as follows:

Sr. No.	Entity
1.	Arham India (Proprietorship of Kaushik Vinaykant Shah)
2.	Chimanlal Tribhovandas Doshi HUF
3.	Dhumketu Solar LLP
4.	Dinkar Solar LLP
5.	Doshi Family Master Trust
6.	Evershine Solar LLP
7.	Hitesh C Doshi Family Trust
8.	Hitesh Chimanlal Doshi HUF
9.	Kirit C Doshi Family Trust
10.	Kiritkumar Chimanlal Doshi HUF
11.	Metafin Cleantech Finance Private Limited
12.	Omntec Waaree ATG Private Limited

Sr. No.	Entity
13.	Pankaj C Doshi Family Trust
14.	Pankaj Chimanlal Doshi HUF
15.	Sunbless Solar LLP
16.	Vedaang Energies LLP
17.	Viren C Doshi Family Trust
18.	Virenkumar Chimanlal Doshi HUF
19.	Waa Mall LLP
20.	Waaree ESS Private Limited
21.	Waaree Infrastructure & Agritech Private Limited
22.	Waaree PV Power LLP
23.	Waaree Qatar WLL
24.	Waaree Renewables Private Limited
25.	Waaree Solar Private Limited
26.	Waaree Solar Thermal LLP
27.	Waaree Surya Power LLP
28.	Waaree Technologies Limited

GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, all such companies with which our Company had related party transactions as per the Restated Consolidated Financial Statements, as covered under the relevant accounting standard (i.e. Ind AS 24) have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, a company shall be considered material and shall be disclosed as a Group Company in this Draft Red Herring Prospectus if: (i) such company is a member of the Promoter Group; and (ii) our Company has entered into one or more transactions with such company during the last completed financial year and the most recent period (if applicable) of the Restated Consolidated Financial Statement, which individually or cumulatively in value exceeds 5% of the total income of our Company as per the Restated Consolidated Financial Statements of the last financial year.

Based on the above, our Group Companies are set forth below:

1. Waa Cables Private Limited
2. Waacox Energy Private Limited
3. Waaree Technologies Limited
4. Waaree ESS Private Limited
5. Waa Motor and Pumps Private Limited
6. Waaree Renewables Private Limited (*Formerly Cesare Bonetti India Private Limited*)
7. Omntec Waaree ATG Private Limited
8. Sattva Investment Advisors Private Limited
9. Greentech Power Private Limited
10. Shalibhadra Energies Private Limited
11. Patan Solar Private Limited

Details of our Group Companies

The details of our Group Companies are provided below:

A. Details of our top five Group Companies

In terms of the SEBI ICDR Regulations, the following information based on the audited financial statements, in respect of top five Group Companies, for the last three years shall be hosted on the website of our Company and/or the respective Group Companies:

- reserves (excluding revaluation reserve);
- sales;
- profit after tax;
- earnings per share;
- diluted earnings per share; and
- net asset value.

1. Waaree Technologies Limited (“WTL”)

Registered Office

The registered office of WTL is situated at 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India.

Financial information

The financial information derived from the audited financial statements of WTL for the last three financial years, as required by the SEBI ICDR Regulations, are available on https://www.hktrade.in/investor_info.php.

2. Waaree Renewables Private Limited (Formerly Cesare Bonetti India Private Limited)("WRPL")

Registered Office

The registered office of WRPL is situated at 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India.

Financial information

The financial information derived from the audited financial statements of WRPL for the last three financial years, as required by the SEBI ICDR Regulations, are available on www.waaree.com/ipo.

3. Waa Cables Private Limited ("WCPL")

Registered Office

The registered office of WCPL is situated at 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India.

Financial information

The financial information derived from the audited financial statements of WCPL for the last three financial years, as required by the SEBI ICDR Regulations, are available on www.waacables.com/download/.

4. Greentech Power Private Limited ("GPPL")

Registered Office

The registered office of GPPL is situated at C 1/2, Satyam Shopping Centre, M.G Road, Ghatkopar, Mumbai 400077, Maharashtra, India.

Financial information

The financial information derived from the audited financial statements of GPPL for the last three financial years, as required by the SEBI ICDR Regulations, are available on www.waaree.com/ipo.

5. Waacox Energy Private Limited ("WAEPL")

Registered Office

The registered office of WAEPL is situated at 504, 5th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India.

Financial information

The financial information derived from the audited financial statements of WAEPL for the last three financial years, as required by the SEBI ICDR Regulations, are available on www.waaree.com/ipo.

B. Details of our other Group Companies

6. Sattva Investment Advisors Private Limited ("SIAPL")

Registered Office

The registered office of SIAPL is situated at Unit No 1003, Lodha Supremus, Senapati Bapat Marg, Lower Parel, Mumbai 400013, Maharashtra, India.

7. Omntec Waaree ATG Private Limited ("Omntec Waaree")

Registered Office

The registered office of Omntec Waaree is situated at 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India.

8. Waaree ESS Private Limited ("WESSPL")

Registered Office

The registered office of WESSPL is situated at 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India.

9. Waa Motor and Pumps Private Limited ("WMPPL")

Registered Office

The registered office of WMPPL is situated at Plot 487-504, Bungalow No 11, Deepkiran Cooperative Society, Gunjan Road, GIDC Vapi, Valsad-396195, Gujarat, India.

10. Shalibhadra Energies Private Limited ("SEPL")

Registered Office

The registered office of SEPL is situated at 9, Krishna Nagar Society, Near Purvam Dairy, Opposite Dinner Bell Restaurant-II, Memnagar, Ahmedabad- 380 052, Gujarat, India.

11. Patan Solar Private Limited ("PSPL")

Registered Office

The registered office of PSPL is situated at 602, 6th Floor, Western Edge – I, Western Express Highway, Borivali (East), Mumbai – 400 066, Maharashtra, India.

Nature and extent of interest of Group Companies

In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

Except as disclosed below in "- *In transactions for acquisition of land, construction of building and supply of machinery, etc.*", none of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

Except as disclosed below, none of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Our Company and WRPL entered into six sale deeds in July 2021 for the purchase, transfer and assignment of a parcel of land situated at Plot Number 1, Village Degam, Taluka Chikhli, District Navasari, Gujarat ("**Land**") from WRPL to the Company for an aggregate consideration of ₹870.21 million. Further, our Company and WRPL have also entered into contracts dated July 26, 2021 for construction of the infrastructure for the Solar Cell Facility and Solar Module Facility to be set up on the Land for a consideration of ₹1,368.88 million. For further details, see "*Objects of the Offer*" on page 98.

Common pursuits among the Group Companies and our Company

None of the Group Companies are involved in the same line of business as our Company and accordingly none of our Group Companies have any common pursuits with our Company.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed in "*Restated Consolidated Financial Statements – Annexure VI – Note 45 - Related Party Disclosures*" on page 296, there are no related business transactions with the Group Companies.

Litigation

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

Business interest of Group Companies

Except in the ordinary course of business and as stated in "*Restated Consolidated Financial Statements – Annexure VI – Note 45 - Related Party Disclosures*" on page 296, none of our Group Companies have any business interest in our Company.

Confirmations

Except Waaree Technologies Limited, which has its equity shares listed on BSE, none of our Group Companies have any securities listed on a stock exchange.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion and subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend distribution policy of our Company was adopted by way of a resolution dated September 17, 2021, passed by our Board of Directors.

The Board shall, *inter alia*, consider certain financial, internal and external parameters before declaring dividend including financial performance and profitability; liquidity position of the Company during the financial year; and accumulated reserves available for the distribution of dividend. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into, to finance our fund requirements for our business activities. For details, see "*Financial Indebtedness*" on page 356.

Our Company has not declared or paid any dividend on the Equity Shares during the last three Fiscals, as per our Restated Consolidated Financial Statements and from April 1, 2021 until the date of this Draft Red Herring Prospectus.

SECTION VI – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

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Independent Auditor's Examination report on the
Restated Consolidated Financial Information of Waaree Energies Limited

To,
The Board of Directors
Waaree Energies Limited
602, 6th Floor, Western Edge - I,
Western Express Highway,
Borivali (East), Mumbai MH 400066

Independent Auditors' Examination Report on the Restated Consolidated Financial Information prepared in connection with the proposed issue of equity shares of face value ₹ 10 each pursuant to the Initial Public Offering (the "IPO") by Waaree Energies Limited.

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 7 & 8 below), the attached Restated Consolidated Financial Information of Waaree Energies Limited (the "Company" or the "Issuer"), its subsidiaries (the Company and its subsidiaries together referred to as the "Group") and its associate which comprises of the Restated Consolidated Summary Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Summary Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Summary Statement of Changes in Equity and the Restated Consolidated Summary Statement of Cash Flow for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the summary statement of Significant Accounting Policies, and other explanatory Information (collectively referred to as the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on September 17, 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("Offer Document"), prepared by the Company in connection with its proposed Initial Public Offer of equity shares (IPO), prepared in terms of the requirements of:

   a) Section 26(1) of Part I of Chapter III of the Companies Act, 2013 (the "Act");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in paragraph 1 (B) (I) of Annexure V to the Restated Consolidated Financial Information. The responsibility of the respective Board of Directors of the Company included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated August 6, 2021, for the purpose of inclusion in the Offer Document, in connection with the proposed IPO of equity shares of the Company

b) The Guidance Note, which also requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Consolidated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the Company's management from special purpose audited consolidated financial statements of the Group and its associate as at March 31, 2021 (the "Special Purpose Audited Consolidated Financial Statements") and the audited consolidated financial statements of the Group and its associate as at and for the years ended March 31, 2020 and March 31, 2019 (the "Previous Years Audited Consolidated Financial Statements") prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meetings held on September 17, 2021, June 30, 2020 and May 28, 2019 respectively.

5. We have audited the Special Purpose Audited Consolidated Financial Statements and have an issued an unmodified opinion thereon. We have issued our audit report dated September 17, 2021 on the Special Purpose Audited Consolidated Financial Statements. The erstwhile statutory auditors have audited the Previous Years Audited Consolidated Financial Statements and have issued unmodified opinions thereon.

6. For the purpose of our examination, we have relied on:

a) Special purpose audit report issued by us dated September 17, 2021 on the Special Purpose Audited Consolidated Financial Statements.

b) Audit report issued by the Company's previous auditors, SGCO & Co LLP dated June 30, 2020 and May 28, 2019 on the Previous Years Audited Consolidated Financial Statements as at and for the years ended March 31, 2020 and March 31, 2019 respectively, as referred in Para 4 above;

(i) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2021;

(ii) do not contain any qualification that require any adjustment for modification as there is no modification in the underlying audit reports; and

(iii) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. a) As indicated in our special purpose audit report referred above;

i. We did not audit financial statements of fourteen subsidiaries (including five step down subsidiaries) as at and for the years ended March 31, 2021, included in the group whose share of total assets, total revenues, net cash inflows/outflows included in the consolidated financial information, for the year is tabulated below: which have been audited by other auditors, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors

(₹ in million)

Particulars	As at / for the year ended March 31, 2021
Total Assets	2629.24
Total Revenue	185.47
Net cash Inflows / (outflow)	(262.26)

The financial information of these subsidiaries included in this restated consolidated financial information, is based on such financial statements audited by the other auditors and have been restated by the management of the issuer to comply with Ind AS and basis set out in Annexure V to the restated consolidated financial information. The Ind AS and restatement adjustments made to such financial statements to comply with Ind AS and the basis set out in Annexure VII to the Restated Consolidated Financial Information, have been audited by us.

ii. We did not audit financial statements of two subsidiaries as at and for the years ended March 31, 2021, included in the group whose share of total assets, total revenues, net cash inflows/outflows included in the consolidated financial information, for the relevant years is tabulated below: are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the such unaudited financial statements / financial information

(₹ in million)

Particulars	As at / for the year ended March 31, 2021
Total Assets	Negligible
Total Revenue	42.76
Net cash Inflows / (outflow)	(1.15)

The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose consolidated financial statements and audited consolidated financial statements mentioned in paragraph 6 above.

iii. The comparative financial information of the company for the year ended March 31, 2020, March 31, 2019 have been audited by the previous auditor. The report of the previous auditors on the comparative financial information expressed an unmodified opinion.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

b) These other auditors of the fourteen subsidiaries (including five step down subsidiaries), as mentioned above, have examined the restated (consolidated) financial information and have confirmed that the restated (consolidated) financial information, have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

c) i) Financial statements of a subsidiary whose share of total assets, total revenues, net cash inflows included in the restated (consolidated) financial statements, as at and for the year ended March 31, 2021 is tabulated below, which is considered in the restated (consolidated) financial information is unaudited and hence have not been restated. Such financial statements have been considered in the similar manner in the restated (consolidated) financial information, as it was considered in the consolidated Ind AS financial statements, as specified in para (a) (ii) above

(₹ in million)

Particulars	**As at / for the year ended March 31, 2021**
Total Assets	Negligible
Total Revenue	Nil
Net cash Inflows / (outflow)	Negligible

ii) Financial statements of a subsidiary whose share of total assets, total revenues, net cash inflows included in the restated (consolidated) financial statements, as at and for the year ended March 31, 2021 is tabulated below, which is considered in the restated (consolidated) financial information is unaudited as it was sold during the year on December 17, 2020 and hence have not been restated. Such financial statements have been considered in the similar manner in the restated (consolidated) financial information, as it was considered in the consolidated Ind AS financial statements.

(₹ in million)

Particulars	**As at / for the year ended March 31, 2021**
Total Assets	NA
Total Revenue	42.76
Net cash Inflows / (outflow)	(1.15)

8 Based on the audit reports on the consolidated Ind AS financial statements issued by the Previous Auditors included following other matters:

a. i) Previous auditors did not audit the financial statements of eleven subsidiaries (including five step down subsidiaries), whose financial statements reflect total assets of ₹ 2341.44 million as at March 31, 2020, total revenues of ₹ 29.52 million and net cash inflow amounting to ₹ 271.62 million for the year ended on that date, as considered in the consolidated financial statements whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditor

ii) The financial statements / financial information of five subsidiaries whose financial statements / financial information reflect total assets of ₹ 0.40 million as at March 31, 2020, total revenues of ₹ 4.93 million and net cash inflows amounting to ₹ 0.40 million for the year ended on that date, as considered in the consolidated Ind AS financial statements, whose financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group

Our opinion on the consolidated financial statements is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditor

b. i) Previous auditors did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of ₹ 1133.60 million as at March 31, 2019, total revenues of ₹ 0.01 million and net cash inflow amounting to ₹ 0.15 million for the year ended on that date, and share of net loss in its two associates ₹ 0.001 million as considered in the consolidated financial statements whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditor

ii) The financial statements / financial information of three subsidiaries whose financial statements / financial information reflect total assets of ₹ Nil million as at March 31, 2019, total revenues of ₹ 601.72 million and net cash outflow amounting to ₹ 0.08 million for the year ended on that date, as considered in the consolidated Ind AS financial statements, whose financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group

c. Other auditors of the above mentioned subsidiaries, have examined the restated standalone/ consolidated financial information and have confirmed that the restated standalone / consolidated financial information for the respective financial years, have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

d. i) Financial statements of a subsidiary whose share of total assets, total revenues, net cash inflows included in the restated (consolidated) financial statements, as at and for the year ended March 31, 2020 and March 31, 2019 is tabulated below, which is considered in the restated (consolidated) financial information is unaudited and hence have not been restated. Such financial statements have been considered in the similar manner in the restated (consolidated) financial information, as it was considered in the consolidated Ind AS financial statements, as specified in para (a) (ii) & b (ii) above

(₹ in million)

Particulars	**As at / for the year ended March 31, 2020**	**As at / for the year ended March 31, 2019**
Total Assets	0.40	Nil
Total Revenue	4.93	601.72
Net cash Inflows / (outflow)	0.40	(0.08)

ii) Financial statements of a subsidiary whose share of total assets, total revenues, net cash inflows included in the restated (consolidated) financial statements, as at and for the year ended March 31, 2019 is tabulated below, which is considered in the restated (consolidated) financial information is unaudited as it was sold during the year on December 31, 2018 and hence have not been restated. Such financial statements have been considered in the similar manner in the restated (consolidated) financial information, as it was considered in the consolidated Ind AS financial statements:

(₹ in million)

Particulars	**As at / for the year ended March 31, 2019**
Total Assets	Nil
Total Revenue	598.53
Net cash Inflows / (outflow)	(25.26)

9 Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the reports submitted by the Previous Auditors and other auditors on their audit of financial statements of subsidiaries & associates for the respective years mentioned in paragraph 7 and 8 above, we report that the Restated Consolidated Financial Information:

- have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2021;

- do not require any adjustment for modification as there is no modification in the underlying audit reports; and

- have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

10 The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the date of the reports on the audited consolidated financial information including special purpose audited consolidated financial information mentioned in paragraph 4 above.

11 This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by Previous Auditor's, nor should this report be construed as a new opinion on any of the financial statements referred to therein.

12 We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13 Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Mumbai in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Shah Gupta & Co.
Chartered Accountants
Firm Reg. No. 109574W

Vipul K Choksi
Partner
Membership No: 37606
UDIN: 21037606AAAACS7060

Place: Mumbai
Date: September 17, 2021

Waaree Energies Limited
Annexure I
Restated Consolidated Statement of Assets & Liabilities

(₹ in Millions)

Particulars	Notes	As at 31st March 21	As at 31st March 20	As at 31st March 19
Assets				
Non-current assets				
Property, plant and equipment	2 (a)	2,230.20	1,107.53	874.01
Capital work-in-progress	2 (a)	13.18	373.12	-
Right of use assets	2 (b)	480.95	300.16	345.79
Investment property	2 (c)	3.48	3.48	3.48
Other intangible assets	2 (d)	62.14	49.98	37.11
Intangible assets under development	2 (d)	15.19	29.09	2.14
Goodwill	2 (e)	70.31	56.31	1.12
Investment in Associates	3	0.00	-	0.08
Financial assets				
Investments	3	820.00	820.00	820.00
Trade receivables	4	51.66	57.89	126.50
Loans	5	48.44	31.91	31.54
Other financial assets	6	345.00	358.17	113.36
Income tax assets (net)	7	32.78	36.08	3.75
Other non-current assets	8	926.49	84.86	14.19
Total non-current assets		**5,099.83**	**3,308.59**	**2,373.07**
Current assets				
Inventories	9	3,680.02	2,431.05	999.31
Financial assets				
Investments	10	334.44	34.56	-
Trade receivables	11	1,167.24	1,402.42	2,151.50
Cash and cash equivalents	12	128.66	339.46	223.09
Bank balances other than cash and cash equivalents	13	973.88	447.51	971.59
Loans	14	479.25	571.50	643.99
Other financial assets	15	252.46	406.11	216.41
Other current assets	16	689.42	441.44	607.34
Total current assets		**7,705.38**	**6,074.06**	**5,813.24**
Total Assets		**12,805.21**	**9,382.65**	**8,186.30**
Equity and Liabilities				
Equity				
Equity share capital	17	1,971.38	1,971.38	1,971.38
Other equity	18	1,478.49	1,008.79	596.47
Equity attributable to owners of the company		**3,449.87**	**2,980.17**	**2,567.85**
Non controlling interest (NCI)	49 (c)	402.11	416.77	0.00
Total equity		**3,851.97**	**3,396.94**	**2,567.85**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	19	1,971.29	713.19	658.32
Lease liabilities	20	443.70	274.01	313.99
Long term provisions	21	325.50	258.72	176.19
Deferred tax liabilities (net)	22	41.24	21.93	4.96
Other non-current liabilities	23	13.89	9.80	2.40
Total non-current liabilities		**2,795.62**	**1,277.65**	**1,155.85**
Current liabilities				
Financial liabilities				
Borrowings	24	547.32	204.42	15.43
Lease liabilities	25	59.57	41.09	36.59
Trade payables	26			
Total outstanding dues of micro enterprises and small enterprises		117.22	70.03	6.05
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,254.89	2,929.70	3,071.87
Other financial liabilities	27	463.01	411.58	585.41
Provisions	28	1.83	1.76	1.85
Other current liabilities	29 (a)	580.38	907.95	718.01
Current Tax Liabilities (Net)	29 (b)	133.40	141.53	27.37
Total current liabilities		**6,157.62**	**4,708.06**	**4,462.59**
Total Liabilities		**8,953.24**	**5,985.71**	**5,618.45**
Total Equity and Liabilities		**12,805.21**	**9,382.65**	**8,186.30**

Note:
The above statement should be read with the Notes to the Restated Consolidated Financial Information- Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial information - Other Information appearing in Annexure VI; and Restatement Adjustments to Restated Consolidated Financial information appearing in Annexure VII

As per our attached Report of even date
For Shah Gupta & Co
Chartered Accountants
Firm Reg. No:- 109574W

For and on behalf of the Board
Waaree Energies Limited

Vipul K Choksi
Partner

Membership No. 37606
UDIN : 21037606AAAACS7060

Place :- Mumbai
Date :- September 17, 2021

Hitesh C Doshi
Chairman & Managing Director
(DIN 00293668)

Hitesh P Mehta
Director & CFO
(DIN 00207506)

Kirankumar Jain
Company Secretary
ACS-35444

Place: - Mumbai
Date :- September 17, 2021

Waaree Energies Limited

Annexure II

Restated Consolidated Statement of Profit and Loss

(₹ in Millions)

	Particulars	Note No.	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
I	**Income**				
	Revenue from operations	30	19,527.76	19,957.83	15,910.35
	Other income	31	405.94	255.29	216.95
	Total income		**19,933.70**	**20,213.12**	**16,127.31**
II	**Expenses**				
	Cost of materials consumed	32	12,619.09	14,324.36	10,919.09
	Purchases of stock-in-trade	33	4,226.26	2,167.99	1,254.61
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(730.82)	(195.14)	83.72
	Other manufacturing and EPC project expenses	35	544.79	665.89	579.12
	Employee benefits expense	36	481.55	546.12	431.00
	Sales, administration and other expenses	37	1,538.61	1,526.10	1,206.17
	Finance costs	38	309.17	337.06	590.91
	Depreciation and amortization expense	39	286.58	271.33	407.18
	Total expenses		**19,275.22**	**19,643.72**	**15,471.81**
III	**Restated Profit Before share of profit/ loss from associates ,Exceptional item and tax (I-II)**		**658.48**	**569.39**	**655.50**
	Share of Profit/(loss) of Associate		-	(0.02)	(0.03)
	Restated Profit Before Exceptional item and tax (I-II)		658.48	569.37	655.47
	Add/(Less) : Exceptional Items	40	40.56	-	370.51
IV	**Restated Profit before tax**		**699.04**	**569.37**	**1,025.98**
V	Tax expenses				
	Current tax	22	201.00	190.45	168.96
	Tax for earlier years		-	0.12	-
	Mat Credit Entitlement		(2.65)	-	-
	Deferred tax		18.79	(11.42)	33.61
	Total Tax expense		**217.14**	**179.16**	**202.58**
VI	**Restated Profit for the year**		**481.90**	**390.21**	**823.40**
VII	**Other Comprehensive Income**				
	Items that will not be reclassified to profit or loss				
	- Remeasurement of defined benefit plan		2.19	(3.33)	4.04
	- Fair value changes on derivatives designated as cashflow hedge		-	(1.61)	2.47
	- Income tax on above		(0.51)	0.84	(2.27)
	Total Other comprehensive income		1.68	(4.10)	4.23
VIII	**Restated Total Comprehensive Income for the year (after tax) (VI + VII)**		**483.58**	**386.11**	**827.63**
	Restated Profit/(loss) for the year attributable to :				
	- Owners of the company		492.10	417.10	823.40
	- Non-controlling interests		(10.20)	(26.89)	-
			481.90	**390.21**	**823.40**
	Other Comprehensive Income for the year attributable to :				
	- Owners of the company		1.40	(4.10)	4.23
	- Non-controlling interest		0.28	-	-
			1.68	**(4.10)**	**4.23**
	Restated Total Comprehensive Income for the year attributable to :				
	- Owners of the company		493.49	413.00	827.63
	- Non controlling interests		(9.91)	(26.89)	-
			483.58	**386.11**	**827.63**
	Restated Earnings per equity share: (Nominal value of Rs. 10/- each)	41			
	- Basic & Diluted (Rs)		2.50	2.12	4.18

Note:-

The above statement should be read with the Notes to the Restated Consolidated Financial Information- Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial information - Other Information appearing in Annexure VI; and Restatement Adjustments to Restated Consolidated Financial Statements appearing in Annexure VII.

As per our attached report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Reg. No:- 109574W

For and on behalf of the Board
Waaree Energies Limited

Vipul K Choksi
Partner

Membership No. 37606
UDIN : 21037606AAAACS7060
Place: Mumbai
Date: September 17, 2021

Hitesh C Doshi
Chairman & Managing Director
(DIN 00293668)

Hitesh P Mehta
Director & CFO
(DIN 00207506)

Kirankumar Jain
Company Secretary
ACS-35444

Place: Mumbai
Date: September 17, 2021

Waaree Energies Limited
Annexure III
Restated Consolidated Statement of Changes in Equity

A Equity share capital

Particulars	No. of shares	(₹ in Millions)
As at 1st April , 2018	19,71,38,492	1,971.38
Issue of equity shares	-	-
As at 31st March , 2019	**19,71,38,492**	**1,971.38**
Issue of equity shares	-	-
As at 31st March , 2020	**19,71,38,492**	**1,971.38**
Issue of equity shares	-	-
As at 31st March, 2021	**19,71,38,492**	**1,971.38**

B Other equity **(₹ in Millions)**

Particulars	Debeture Redemption Reserve	Foreign Currency Translation Reserve	Capital Reserve on consolidation	Retained Earnings	Attributable to owners of the company	Non-controlling interest	Total
Balance as at 1st April, 2018	250.00	(2.94)	4.40	(467.08)	(215.62)	0.00	(215.62)
Adjustments during the year	-	(0.13)	-	-	(0.13)	-	(0.13)
Creation of debenture redemption reserve	125.00	-	-	(125.00)	-	-	-
Transfer to retained earnings on redemption of debentures	(237.50)	-	-	237.50	-	-	-
Transition impact on adoption of Ind AS 116 **(refer Note 46)**	-	-	-	(17.73)	(17.73)	-	(17.73)
On disposal of subsidiary	-	2.33	-	-	2.33	-	2.33
Total Comprehensive Income for the year (net of income tax)	-	-	-	827.63	827.63	-	827.63
Balance as at 31st March , 2019	**137.50**	**(0.74)**	**4.40**	**455.32**	**596.47**	**0.00**	**596.47**
Adjustments during the year	-	(0.69)	-	-	(0.69)	-	(0.69)
Transfer to retained earnings on redemption of debentures	(79.00)	-	-	79.00	-	443.66	443.66
Acquisition of business	-	-	-	-	-	-	-
Total Comprehensive Income for the year (net of income tax)	-	-	-	413.00	413.00	(26.89)	386.11
Balance as at 31st March, 2020	**58.50**	**(1.43)**	**4.40**	**947.32**	**1,008.79**	**416.77**	**1,425.56**
Adjustments during the year	-	-	-	-	-	-	-
Creation of debenture redemption reserve	187.50	-	-	(187.50)	-	-	-
Transfer to retained earnings on redemption of debentures	(58.50)	-	-	58.50	-	-	-
Adjustment towards Business Combination as per IND AS 103	-	-	-	(23.80)	-	(4.75)	(4.75)
Acquisition of business	-	-	-	-	(23.80)	-	(23.80)
Total Comprehensive Income for the year (net of income tax)	-	-	-	493.50	493.50	(9.91)	483.59
Balance as at 31st March, 2021	**187.50**	**(1.43)**	**4.40**	**1,288.02**	**1,478.49**	**402.11**	**1,880.60**

Note

The above statement should be read with the Notes to the Restated Consolidated Financial Information- Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial information - Other Information appearing in Annexure VI; and Restatement Adjustments to Restated Consolidated Financial Statements appearing in Annexure VII.

As per our attached report of even date
For Shah Gupta & Co
Chartered Accountants
Firm Reg. No:- 109574W

Vipul K Choksi
Partner

Membership No. 37606
UDIN : 21037606AAAACS7060

Place: Mumbai
Date: September 17, 2021

For and on behalf of the Board
Waaree Energies Limited

Hitesh C Doshi
Chairman & Managing Director
(DIN 00293668)

Hitesh P Mehta
Director & CFO
(DIN 00207506)

Kirankumar Jain
Company Secretary
ACS-35444

Place: Mumbai
Date: September 17, 2021

Waaree Energies Limited
Annexure IV
Restated Consolidated Statement of Cash Flow

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
A. Cash flow from operating activities :			
Restated Profit before tax	699.04	569.39	1,025.98
Add/ (less) : Adjustments for			
Depreciation and amortisation	286.58	271.33	407.18
Interest on Income Tax Liability	12.69	10.83	4.89
Interest expense	225.34	269.62	531.22
Remeasurement of Defined benefit Plans	2.19	-	4.04
Net Gain/Loss on financial assets measured at Fair Value through profit and loss	-	-	(4.35)
Fair value changes on derivatives designated as cashflow hedge	-	-	2.47
Interest income	(172.97)	(140.27)	(102.16)
Amortisation of Government Grant	-	33.48	-
Amortisation of borrowing cost	-	11.24	-
(Gain)/loss on unrealised exchange difference	(31.50)	29.86	(25.26)
(Gain)/loss on disposal of property, plant and equipment	(2.38)	5.22	(0.87)
Provision for impairment of assets	-	17.63	-
Capital-work-in-progress written off	0.53	4.18	-
Profit on sale of subsidary	(10.16)		-
(Gain)/loss on disposal of current investment	(0.57)	(1.04)	(3.06)
Gain on change in fair value of investment	(3.14)	(0.57)	-
Provision for doubtful advance & deposit	2.75	4.40	-
Provision for doubtful deposit	10.50	-	-
Provision for warranty	72.31	85.77	65.18
Exceptional items	(40.56)	-	-
Allowance for credit losses on financial assets	17.27	8.52	1.46
Operating profit before working capital changes	1,067.93	1,179.59	1,906.72
Add/ (less) : Adjustments for change in working capital			
(Increase) / decrease in inventory	(986.47)	(1,431.74)	(14.05)
(Increase) / decrease in trade receivables	224.11	856.94	(1,539.16)
(Increase) / Decrease in Security deposits	(27.95)	1.73	(1.43)
(Increase) / Decrease in Current Loans			20.55
(Increase) / decrease in other current financial assets	243.09	(198.15)	(203.82)
(Increase) / decrease in other current assets	(101.61)	231.86	(480.47)
(Increase) / Decrease in other non current assets		2.27	
Increase / (decrease) in provision	(0.31)	(9.39)	(45.12)
Increase / (decrease) in trade payables	783.99	(123.74)	1,016.00
Increase / (decrease) in other current financial liabilities	8.63	(195.18)	128.03
Increase / (decrease) in other current liabilities	(323.45)	632.97	439.20
Cash generated from operations	887.98	947.15	1,226.44
Add/ (less) : Exceptional items	-	-	-
	887.98	947.15	1,226.44
Add/ (less) : Direct taxes paid	(215.16)	(114.74)	(172.58)
Net cash inflow from operating activities	**672.82**	**832.41**	**1,053.86**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
B. Cash flow from investing activities :			
Acquisition of property, plant and equipment / intangible assets	(748.90)	(282.18)	(1,248.16)
Capital work in progress / Intangible asset under devlopmen	(327.24)	(352.96)	(2.14)
Proceeds from sale of subsidiary	2.38	-	2,119.13
Investment in subsidiary/ associates	(18.74)	(201.26)	(0.18)
Fixed deposits	(504.20)	352.57	(873.00)
Proceeds from sale of property, plant and equipmen	49.19	118.05	6.08
(Acquisition) / Sale of non currrent investments	-	0.07	(210.00)
Sale proceeds from non current investmen	0.00	-	-
Sale proceeds from current investment	-	-	210.20
Purchase of Current Investment	(504.17)	(1.09)	-
Proceeds from sale of mutual funds	208.00	-	-
Slump Sale consideration	(20.93)	-	-
Long term loans & advances received back / (given) (Net)	92.25	84.78	56.85
Capital advance paid during the year (Net)	(897.55)	(69.30)	-
Interest received	172.97	127.90	102.16
Net cash inflow / (outflow) from investing activities	**(2,496.94)**	**(223.42)**	**160.94**
C. Cash flow from financing activities :			
Proceeds / (repayment) of borrowings (net)	1,650.50	(206.42)	(494.79)
Repayment of Lease liabilities	188.17	(37.82)	(31.47)
Interest paid	(225.34)	(253.52)	(531.22)
Net cash inflow / (outflow) from financing activities	**1,613.33**	**(497.76)**	**(1,057.48)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(210.81)	111.24	157.33
Add: Cash and cash equivalents at the beginning of yea	339.46	223.09	65.76
Add: On acquisition of subsidiary	-	5.13	-
Cash and cash equivalents at the end of year	**128.66**	**339.46**	**223.09**

Components of cash and cash equivalents considered only for the purpose of cash flow statemen

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Cash on hand	0.16	0.25	0.10
Balance with banks	63.46	66.65	222.99
Fixed deposit with original maturity of less than 3 months	65.04	272.56	-
	128.66	**339.46**	**223.09**

Notes :

The above statement should be read with the Notes to the Restated Consolidated Financial Information- Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial information - Other Information appearing in Annexure VI; and Restatement Adjustments to Restated Consolidated Financial Statements appearing in Annexure VII.

As per our attached report of even date
For Shah Gupta & Co
Chartered Accountants
Firm Reg. No:- 109574W

Vipul K Choksi
Partner

Membership No. 37606
UDIN : 21037606AAAACS7060

Place : Mumbai
Date: September 17, 2021

For and on behalf of the Board
Waaree Energies Limited

Hitesh C Doshi
Chairman & Managing Director
(DIN 00293668)

Hitesh Mehta
Director & CFO
(DIN 00207506)

Kirankumar Jain
Company Secretary
ACS-35444

Place : Mumbai
Date: September 17, 2021

Waaree Energies Limited

Annexure V

Notes to the Restated Consolidated Financial Information - Significant Accounting Policies

A. Group Background

Waaree Energies Limited (the 'Company') registered in India under Companies Act 1956, was incorporated in January 1990. The Company and its subsidiaries (collectively referred to as the 'Group') are primarily engaged in the business of manufacture of Solar Photo-voltaic Modules, setting up of Projects in solar space and sale of electricity. The registered and corporate office of the Company is located at 602, 6th Floor, Western Edge - I, Western Express Highway, Borivali (East), Mumbai, Maharashtra - 400066, India with manufacturing plants are at Nandigram, Tumb and Surat.

B. Significant Accounting Policies

I. Basis of Preparation and Presentation

The Restated Consolidated Financial Information comprise of the Restated Consolidated Summary Statement of Assets and Liabilities as at 31st March 2021, 31stMarch 2020 and 31st March 2019, the Restated Consolidated Summary Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Summary Statement of Cash Flows, the Restated Consolidated Summary Statement of Changes in Equity and Summary Statement of Significant Accounting Policies and other explanatory information (Statement of Notes to the Restated Consolidated Financial Information) for the years ended 31st March 2021, 31st March 2020 and 31st March 2019 (hereinafter collectively referred to as Restated Consolidated Financial Information), as approved by the Board of Directors of the Company at their meeting held on September 17, 2021 for the purpose of inclusion in the Draft Red Herring Prospectus (referred as the "Offer Document") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Consolidated Financial Information have been compiled by the Management from audited consolidated financial statements of the Group as at and for the years ended March 31, 2019 and 2020 and special purpose audited financial statements for the year ended March 31, 2021, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (hereafter referred as "Consolidated Financial Statements"), which have been approved by the Board of Directors at their meetings held on May 28, 2019, June 30, 2020, September 17, 2021 respectively. The Restated Consolidated Ind AS Financial Information relates to the Group and its associates.

The Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively for the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2021.

b) Adjustments for audit qualifications requiring corrective adjustments in the financial statements, if any

c) The resultant impact of tax due to the aforesaid adjustments, if any.

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of board meeting on the Special Purpose Consolidated Financial Statements / consolidated financial statements mentioned above.

The Restated Ind AS Consolidated Financial Information are presented in Indian Rupees (Rs.) and all values are rounded to the nearest millions except when otherwise indicated.

II. Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

a) has power over the investee

b) is exposed to, or has rights, to variable returns from its involvement with the investee; and

c) has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.
Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

Subsidiary

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

c) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

d) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Restated Consolidated Financial Information of the Group include subsidiaries as stated in Note 53.

Associates

a) The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The statement of profit and loss reflects the Group's share of the results of operations of the associate .The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

b) If an entity's share of losses of an associate equals or exceeds its interest in the associate(which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses.

c) Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss."

The Restated Consolidated Financial Information of the Group include Associates as stated in Note 53.

III. Summary of Significant Accounting Policies

The Restated Financial Information have been prepared in accordance with the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 Group 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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 inputs are unobservable inputs for the asset or liability.

Current & Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the Group’s normal operating cycle.

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Group’s normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current only.

1. Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

a) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

b) liabilities or equity instruments related to share based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

c) assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill/capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

2. Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group’s policy for goodwill arising on the acquisition of an associate is described in consolidation procedure above.

3. Revenue Recognition

A. Sale of Goods

The Group recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

B. Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentives payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

C. Sale of Electricity

Revenue from contracts with customers is recognised when control of the goods (power) or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the Power Purchase Agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable, and contracts for services.

Contract balances

1. Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

2. Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

3. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract including Advance received from Customer

4. Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the Group including volume rebates and discounts. The Group updates its estimates of refund liabilities at the end of each reporting period.

D. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

E. Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.
Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Assets	**Years**
Plant and Machinery	5 to 10 Years

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

F. Intangible Assets

Intangible assets with finite and infinite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of Assets	**Years**
Solar Power Plant	25 years
Computer Software	4 years

G. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of derecognition from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Fair value as disclosed in notes are determined based on valuations derived by an Independent valuer.

H. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

I. Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight.
Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

At each physical verification of inventory carried from time to time, provision for obsolete, slow moving and defective inventory is charged through profit and loss account. Adjustments for deficit and surplus inventory is also provided for at the time of physical verification.

J. Service Concession arrangements

Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue from power generation business is accounted on the basis of billings to the power off takers and includes unbilled revenue accrued upto the end of accounting year. Power off takers are billed as per tariff rate, agreed in purchase power agreement. Operating or service revenue is recognised in the period in which services are rendered by the Group."

Financial assets

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the discertion of the grantor for the construction. Such financial assets are measured at fair value at initial recognition and classification as loans and receivables. Subsequent to initial recognition, the financial asset are measured at amortised cost.

Intangible assets

The Group recognises an intangible asset arising from a service concession arrangement when it has right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction services in service concession arrangement is measured at cost, less accumulated amortisation and accumulated impairment losses, if any. Internal technical team or user assess the useful lives of intangible asset. Management believes that assigned useful lives of 24 years - 25 years of solar power projects are reasonable.

Determination of fair value

The fair value of intangible assets is determined by contract price paid for construction of solar power project.

K. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term is as follows:

Class of Assets	**Years**
Factory Premises	3 to 11 Years
Office Premises	10 to 11 Years

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

L. Employee Benefit Expenses

a) Short term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

b) Long term employee benefits:

Liabilities recognised in respect of long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

c) Retirement benefit costs and termination benefits:

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

d) Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

e) Defined benefit plans:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Actuarial valuations are being carried out at the end of each annual reporting period for defined benefit plans.

The retirement benefit obligation recognised in the consolidated balance sheet represents the deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for each completed year of service as per the Payment of Gratuity Act, 1972.

M. Government Grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the years in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

N. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities 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 at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

1. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit and loss.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

a) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

b) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

c) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by -instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the other income' line item. Dividend on financial assets at FVTPL is recognised when:

a) The Group's right to receive the dividends is established,

b) It is probable that the economic benefits associated with the dividends will flow to the entity,

c) The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

d) Derecognition of financial assets

   The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

e) Impairment

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, The Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

f) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the consolidated statement of profit and loss and is included in the ‘Other income’ line item.

2. Financial liabilities and equity instruments

a) Classification as debt or equity Debt and equity

Instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i. It has been incurred principally for the purpose of repurchasing it in the near term; or

ii. on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

iii. it is a derivative that is not designated and effective as a hedging instrument. A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

iv. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

v. the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

vi. it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated

Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Consolidated Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

d) Other financial liabilities:

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

e) Impairment of Non-Financial Asset

At the end of each reporting year, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

f) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

g) Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an deferred tax asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

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

iii. Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

O. Foreign Currency

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

P. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Q. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Group recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

R. Cash and Cash Equivalent

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.
For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

S. Earnings per Share

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive.

Key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under section b above, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

T. Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods. The useful lives of property, plant and equipment are reviewed at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets, and also their likely economic lives based on various internal and external factors including relative efficiency, the operating conditions of the asset, anticipated technological changes, historical trend of plant load factor, historical planned and scheduled maintenance. It is possible that the estimates made based on existing experience are different from the actual outcomes and could cause a material adjustment to the carrying amount of property, plant and equipment.

ii) Provisions and Contingencies:

In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

iii) Fair value measurements:

When the fair values of financial assets or financial liabilities recorded or disclosed in the Consolidated Financial Statements cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the Discounted Cash Flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

iv) Income Taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilized. The amount of the deferred income tax assets considered realizable, however, could change if estimates of future taxable income changes in the future.

v) Defined benefit plans:

The present value of defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vi) Impairment of goodwill:

Determining whether goodwill is impaired requires an estimation of the 'value in use' of the cash-generating units to which goodwill has been allocated. In considering the value in use, the management has made assumptions relating to useful lives of the cash generating units, plant availability, and plant load factor, useful life of the asset, additional capacity and capital cost approval from the regulators, expected renewals / extension of power purchase agreement / implementation agreement, input cost escalations operational margins and discount rates. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of the goodwill.

vii) Expected credit loss:

The measurement of expected credit loss on financial assets is based on the evaluation of collectability and the management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the loans having regard to, the past collection history of each party and ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

APPLICABILITY OF NEW INDIAN ACCOUNTING STANDARDS ('IND AS'), AMENDMENTS AND INTERPRETATIONS

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020, has notified the following major amendments, which became applicable with effect from 1st April, 2020.

Amendments to Ind AS 103- Business combinations

The Group has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1st April, 2020.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendments to Ind AS 116 – Leases

The Group has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.
The adoption of this amendments has not had any impact on the disclosures or reported amounts in these Consolidated Restated Financial Information.

Amendment to Ind AS 1 and Ind AS 8 – Definition of "Material"

The Group has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the consolidated financial statements.

Waaree Energies Limited
Annexure VI
Notes to the Restated Consolidated Financial Information - Other Information

2 (a) Property, plant and equipment **(₹ in Millions)**

Particulars	Leasehold Land	Land - Freehold	Factory Building	Building	Plant & Machinery	Electrical Installations	Computer & Printers	Office Equipments	Furniture & Fixture	Vehicles	Leasehold Improvements	Solar Power Plant	Total	Capital Work in Progress
Year Ended March 31, 2019														
Gross Carrying Amount														
Cost as at April 1, 2018	29.56	300.16	61.45	-	281.25	8.56	19.53	6.66	14.56	17.99	29.94	-	769.66	271.73
Additions	-	-	-	-	759.33	29.06	4.93	4.55	2.51	7.52	22.80	-	830.69	539.46
Disposals	-	-	-	-	(60.97)	-	-	-	-	-	-	-	(60.97)	-
Transfers*	(29.56)	-	-	-	-	-	-	-	-	-	-	-	(29.56)	(811.18)
Less : Adjustment on account of sale of subsidiary	-	(297.17)	-	-	-	-	(0.08)	(1.07)	(0.11)	(0.03)	-		(298.46)	-
Closing Gross Carrying Amount	**-**	**2.99**	**61.45**	**-**	**979.61**	**37.62**	**24.38**	**10.14**	**16.96**	**25.48**	**52.74**	**-**	**1,211.36**	**-**
Accumulated Depreciation														
Accumulated Depreciation as at April 1, 2018	3.93	-	17.74	-	123.40	5.99	16.42	3.56	5.54	7.09	29.86	-	213.53	-
Depreciation charge during the year	-	-	2.00	-	167.40	2.82	2.60	1.78	1.64	2.71	3.10	-	184.05	-
Transfer*	(3.93)	-	-	-	-	-	-	-	-	-	-	-	(3.93)	-
Disposals	-	-	-	-	(55.77)	-	-	-	-	-	-	-	(55.77)	-
Less : Adjustment on account of sale of subsidiary	-	-	-	-	-	-	(0.10)	(0.38)	(0.03)	(0.01)	-	-	(0.53)	-
Closing Accumulated Depreciation	**-**	**-**	**19.74**	**-**	**235.03**	**8.80**	**18.93**	**4.96**	**7.15**	**9.79**	**32.96**	**-**	**337.35**	**-**
Net Carrying Amount	**-**	**2.99**	**41.71**	**-**	**744.58**	**28.81**	**5.45**	**5.19**	**9.81**	**15.70**	**19.78**	**-**	**874.01**	**-**
Year Ended March 31, 2020														
Gross Carrying Amount														
Opening Gross Carrying Amount	-	2.99	61.45	-	979.61	37.62	24.38	10.14	16.96	25.48	52.74	-	1,211.36	-
On acquisition of subsidiary	-	-	-	4.32	-	-	0.59	0.12	0.03	-	-	314.84	319.90	33.22
Additions	-	56.03	-	-	132.96	-	6.18	1.45	3.83	2.64	-	62.99	266.08	401.39
Disposals	-	-	-	-	-	-	-	-	-	(2.62)	-	(125.18)	(127.79)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	(61.49)
Closing Gross Carrying Amount	**-**	**59.01**	**61.45**	**4.32**	**1,112.57**	**37.62**	**31.15**	**11.72**	**20.82**	**25.50**	**52.74**	**252.65**	**1,669.55**	**373.12**
Accumulated Depreciation														
Accumulated Depreciation as at April 1, 2019	-	-	19.74	-	235.03	8.80	18.93	4.96	7.15	9.79	32.96	-	337.35	-
On acquisition of subsidiary	-	-	-	0.09	-	-	0.25	0.03	0.00	-	-	7.53	7.90	-
Depreciation charge during the year	-	-	2.00	0.14	189.09	3.22	5.22	1.71	1.76	2.78	4.57	10.79	221.29	-
Disposals	-	-	-	-	-	-	-	-	-	(1.52)	-	(3.00)	(4.52)	-
Closing Accumulated Depreciation	**-**	**-**	**21.73**	**0.23**	**424.13**	**12.02**	**24.39**	**6.69**	**8.92**	**11.05**	**37.54**	**15.32**	**562.02**	**-**
Net Carrying Amount	**-**	**59.01**	**39.71**	**4.09**	**688.44**	**25.59**	**6.75**	**5.03**	**11.90**	**14.46**	**15.20**	**237.33**	**1,107.53**	**373.12**
Year Ended March 31, 2021														
Gross Carrying Amount														
Opening Gross Carrying Amount	-	59.01	61.45	4.32	1,112.57	37.62	31.15	11.72	20.82	25.50	52.74	252.65	1,669.55	373.12
Additions	-	-	-	46.23	48.17	-	0.60	1.73	0.88	5.62	-	1,170.84	1,274.07	326.70
Addition on account of slump sale	-	-	-	-	109.81	11.54	0.05	0.82	1.80	-	5.75	-	129.76	0.54
Disposals	-	-	-	-	(56.13)	-	(8.98)	(0.13)	(0.08)	-	-	-	(65.33)	(0.53)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	(686.65)
Less : Adjustment on account of sale of subsidiary	-	-	-	-	-	-	(0.04)	(0.00)	-	-	-	-	(0.04)	-
Closing Gross Carrying Amount	**-**	**59.01**	**61.45**	**50.55**	**1,214.42**	**49.15**	**22.77**	**14.13**	**23.41**	**31.12**	**58.49**	**1,423.49**	**3,008.01**	**13.18**
Accumulated Depreciation														
Accumulated Depreciation as at April 1, 2020	-	-	21.73	0.23	424.13	12.02	24.39	6.69	8.92	11.05	37.54	15.32	562.02	-
Depreciation charge during the year	-	-	2.05	0.38	198.56	3.32	3.38	1.64	1.84	2.69	4.62	15.85	234.31	-
Disposals	-	-	-	-	(9.51)	-	(8.98)	(0.02)	(0.01)	-	-	-	(18.52)	-
Less : Adjustment on account of sale of subsidiary	-	-	-	-	-	-	(0.00)	(0.00)	-	-	-	-	(0.00)	-
Closing Accumulated Depreciation	**-**	**-**	**23.78**	**0.61**	**613.18**	**15.34**	**18.79**	**8.30**	**10.74**	**13.73**	**42.15**	**31.18**	**777.81**	**-**
Net Carrying Amount	**-**	**59.01**	**37.67**	**49.94**	**601.24**	**33.81**	**3.98**	**5.83**	**12.66**	**17.39**	**16.33**	**1,392.32**	**2,230.20**	**13.18**

Certain Property, Plant & Equipment are pledged against borrowings, the details relating to which have been disclosed in note 19 & 24

*** Reclassified on account of adoption of Ind AS 116**

2 (b) Right to use of Assets **(₹ in Millions)**

Particulars	Leasehold Land	Factory Premises	Office Premises	Total
Year ended March 31, 2019				
Gross Carrying Amount				
Balance as at April, 1, 2018	-	-	-	-
Transition impact on adoption of Ind AS 116	-	243.98	142.08	386.07
Reclassified from property, plant and equipment on account of adoption of Ind AS 116	29.56	-	-	29.56
Additions	-	37.18	-	37.18
Disposals	-	-	-	-
Transfers	-	-	-	-
Balance as at March 31, 2019	**29.56**	**281.16**	**142.08**	**452.81**
Accumulated Depreciation				
Balance as at April, 1, 2018	-	-	-	-
Transition impact on adoption of Ind AS 116	-	18.31	40.63	58.94
Reclassified from property, plant and equipment on account of adoption of Ind AS 116	3.93	-	-	3.93
Depreciation charge during the year	0.37	29.58	14.20	44.15
Disposals	-	-	-	-
Balance as at March 31, 2019	**4.30**	**47.88**	**54.83**	**107.01**
Net Carrying Amount as at March 31, 2019	**25.26**	**233.28**	**87.25**	**345.79**
Year ended March 31, 2020				
Gross Carrying Amount				
Balance as at April, 1, 2019	29.56	281.16	142.08	452.81
Transition impact on adoption of Ind AS 116	-	-	-	-
Additions	-	-	8.21	8.21
Disposals	-	-	-	-
Transfers	-	-	-	-
Balance as at March 31, 2020	**29.56**	**281.16**	**150.29**	**461.01**
Accumulated Depreciation				
Balance as at April, 1, 2019	4.30	47.88	54.83	107.01
additions	-	-	3.96	3.96
Depreciation charge during the year	0.37	31.97	17.54	49.88
Disposals	-	-	-	-
Balance as at March 31, 2020	**4.67**	**79.86**	**76.33**	**160.86**
Net Carrying Amount as at March 31, 2020	**24.89**	**201.31**	**73.96**	**300.16**
Year ended March 31, 2021				
Gross Carrying Amount				
Balance as at April, 1, 2020	29.56	281.16	150.29	461.01
Additions	-	230.50	-	230.50
Disposals	-	-	-	-
Transfers	-	-	-	-
Balance as at March 31, 2021	**29.56**	**511.66**	**150.29**	**691.51**
Accumulated Depreciation				
Balance as at April, 1, 2020	4.67	79.86	76.33	160.86
Depreciation charge during the year	0.37	34.18	15.15	49.70
Disposals	-	-	-	-
Balance as at March 31, 2021	**5.04**	**114.04**	**91.48**	**210.56**
Net Carrying Amount as at March 31, 2021	**24.52**	**397.62**	**58.81**	**480.95**

2 (c) Investment property **(₹ in Millions)**

Following are the changes in the carrying value of investment property for the year ended 31st March, 2021:

Particulars	**Land**
Gross carrying value as at 1st April, 2020	3.48
Additions	-
Deletion	-
Gross carrying value as at 31st March, 2021	3.48
Accumulated depreciation as at 1st April , 2020	-
Depreciation for the period	-
Accumulated depreciation as at 31st March, 2021	-
Carrying value as at 31st March, 2021	3.48

Following are the changes in the carrying value of investment property for the year ended 31st March, 2020: **(₹ in Millions)**

Particulars	**Land**
Gross carrying value as at 1st April, 2019	3.48
Additions	-
Deletion	-
Gross carrying value as at 31st March , 2020	3.48
Accumulated depreciation as at 1st April , 2019	-
Depreciation for the period	-
Accumulated depreciation as at 31st March , 2020	-
Carrying value as at 31st March , 2020	**3.48**

Following are the changes in the carrying value of investment property for the year ended 31st March , 2019: **(₹ in Millions)**

Particulars	**Land**
Gross carrying value as at 1st April, 2018	3.48
Additions	-
Deletion	-
Gross carrying value as at 31st March, 2019	3.48
Accumulated depreciation as at 1st April , 2018	
Depreciation for the period	
Accumulated depreciation as at 31st March , 2019	-
Carrying value as at 31st March , 2019	**3.48**

i) Fair Value **(₹ in Millions)**

Particulars	**As at 31st March , 2021**	**As at 31st March , 2020**	**As at 31st March , 2019**
Investment Properties	5.35	5.35	5.35

Estimation of Fair value :

The fair value taken is based on the independent valuation report taken by the parent company .

2 (d) Intangible Assets **(₹ in Millions)**

Particulars	Solar Power Plant *	Computer Software	Total	Intangible Asset under development **
Year Ended 31st March, 2019				
Gross Carrying Amount				
Cost as at 1st April , 2018	5,272.37	20.40	5,292.77	528.16
Additions	1,275.98	-	1,275.98	749.96
Write off	-	-	-	(1,275.98)
Less : Adjustment on account of sale of subsidiary	(6,505.77)	-	(6,505.77)	-
Closing Gross Carrying Amount	**42.58**	**20.40**	**62.98**	**2.14**
Accumulated Amortisation				
Accumulated Amortisation 1st April, 2018	544.53	18.56	563.08	-
Amortisation charge for the year	178.02	0.97	178.99	-
Less : Adjustment on account of sale of subsidiary	(716.19)	-	(716.19)	-
Closing Accumulated Amortisation	**6.35**	**19.53**	**25.87**	**-**
Closing Net Carrying Amount	**36.22**	**0.88**	**37.11**	**2.14**
Year Ended 31st March, 2020				
Gross Carrying Amount				
Opening Gross Carrying Amount	42.58	20.40	62.98	2.14
On acquisition of subsidiary	-	0.05	0.05	0.18
Additions	16.04	0.05	16.10	28.91
Transfers	-	-	-	(2.14)
Closing Gross Carrying Amount	**58.62**	**20.50**	**79.12**	**29.09**
Accumulated Amortisation				
Opening Accumulated Amortisation	6.35	19.54	25.89	-
Amortisation Charge for the year	2.36	0.89	3.25	-
Closing Accumulated Amortisation	**8.71**	**20.43**	**29.14**	**-**
Closing Net Carrying Amount	**49.91**	**0.07**	**49.98**	**29.09**
Year Ended 31st March , 2021				
Gross Carrying Amount				
Opening Gross Carrying Amount	58.62	20.50	79.12	29.09
Additions	13.90	0.82	14.72	-
Transfer	-	-	-	(13.90)
Disposals / Adjustments	-	(6.06)	(6.06)	-
Closing Gross Carrying Amount	**72.52**	**15.25**	**87.78**	**15.19**
Accumulated Amortisation				
Opening Accumulated Amortisation	8.71	20.43	29.14	-
Amortisation Charge for the year	2.44	0.11	2.56	-
Disposals / Adjustments	-	(6.06)	(6.06)	-
Closing Accumulated Amortisation	**11.15**	**14.48**	**25.63**	**-**
Closing Net Carrying Amount	**61.37**	**0.78**	**62.14**	**15.19**

*The Solar Power Plants includes : 0.5 MW located in the state of Madhya pradesh awarded under tender and Power Purchase agreement (PPA) with State Electricity company.

**Intangible assets under development includes 400 KW Solar Roof top power plants at 16 different locations on Government Buildings / Institutions in the state o Delhi. The power purchase agreement (PPA) has been signed with various Government institutions.

Note 2 (e) Goodwill

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
At cost	56.31	1.12	115.23
On Acquisition	14.00	55.19	-
On cessation	-	-	(114.11)
Accumulated impairment	-	-	-
Carrying amount (I-II)	**70.31**	**56.31**	**1.12**

Waaree Energies Limited
Annexure VI
Notes to the Restated Consolidated Financial Information - Other Information

(₹ in Millions)

3 Non Current Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
I. Investments valued at deemed cost			
Investment in equity shares at cost			
Investment in associate	0.00	-	0.08
	0.00	**-**	**0.08**
Investment in preference shares			
Investment in other companies	720.00	720.00	720.00
	720.00	**720.00**	**720.00**
Investment in debentures			
Investment in other companies	100.00	100.00	100.00
	100.00	**100.00**	**100.00**
NSC Certificate*	-	0.00	-
	820.00	**820.00**	**820.00**

* Include NSC certificate of Rs 1000

3.1 Detailed list of non-current investments

Particulars	As at 31st March , 2021		As at 31st March , 2020		As at 31st March , 2019	
	Number	(Rs. in Millions)	Number	(Rs. in Millions)	Number	(Rs. in Millions)
I. Investments valued at cost, fully paid up, unquoted, unless otherwise stated						
a) Investments in equity shares:						
i) In associate						
Shalibhadra Energies Private Limited	2,778	0.03	2,778	0.03	2,778	0.03
Share of Loss in Associate		(0.03)	-	(0.03)	-	(0.03)
	2,778	**0.00**	**2,778**	**-**	**2,778**	**-**
Waansang Solar Private Limited			-	-	2,600	0.03
Share of loss in associate			-	-	-	(0.00)
	-	**-**	**-**	**-**	**2,600**	**0.02**
Waansang Solar One Private Limited			-	-	4,900	0.05
Share of loss in associate			-	-	-	(0.00)
	-	**-**	**-**	**-**	**4,900**	**0.04**
b) Investments in preference shares:						
(i) Investment In other companies						
(Face value of ₹ 10 each)						
Waaree Renewables Private Limited	60,000	720.00	60,000	720.00	60,000	720.00
(Formerly Cesare Bonetti India Private Limited)						
(Face value of ₹ 10 each)						
	60,000	**720.00**	**60,000**	**720.00**	**60,000**	**720.00**
c) Investments in compulsory convertible debentures:						
i) In other companies						
Taxus Infrastructure and Power Projects Private Limited	1,00,000	100.00	1,00,000	100.00	1,00,000	100.00
(Face value of ₹ 1000 each)						
	1,00,000	**100.00**	**1,00,000**	**100.00**	**1,00,000**	**100.00**
	1,60,000	**820**	**1,60,000**	**820**	**1,60,000**	**820.00**

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Details:			
Aggregate of non-current investments:			
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments	820.00	820.00	820.00
Aggregate amount of impairment in value of investments	-	-	-

Waaree Energies Limited
Annexure VI
Notes to the Restated Consolidated Financial Information - Other Information

(₹ in Millions)

4 Non-Current Trade receivables

Particulars	As at 31st March, 2021	As at March 31, 2020	As at March 31, 2019
Secured, considered good	-	-	58.93
Unsecured, considered good	51.66	57.89	67.57
	51.66	**57.89**	**126.50**

The credit period on sales of goods ranges from 0 to 90 days with or without security

Trade receivable have been given as collateral towards borrowings, the details relating to which has been described in note 24

Credit risk management regarding trade receivables has been described in note 50 (B) (ii) (a)

Trade receivables from related parties has been disclosed in note 45

5 Loans

(₹ in Millions)

Particulars	As at 31st March , 2021	As at March 31, 2020	As at March 31, 2019
Security deposits	48.44	31.91	31.54
	48.44	**31.91**	**31.54**

Loans Receivable considered good	**48.44**	**31.91**	**31.54**
Loans receivable which have significant increase in credit risk	**-**	**-**	**-**
Loan receivables - credit impaired	**-**	**-**	**-**

Security deposits stated above include deposits to : **(₹ in Millions)**

Particulars	As at 31st March , 2021	As at March 31, 2020	As at March 31, 2019
Relatives of director	19.00	19.00	19.00

6 Other Non-Current Financial Assets

(₹ in Millions)

Particulars	As at 31st March , 2021	As at March 31, 2020	As at March 31, 2019
Fixed deposits (maturity more than 12 month at inception)	330.44	350.29	107.83
Accrued Interest on Fixed Deposit	14.51	7.83	5.52
Others	0.05	0.05	-
	345.00	**358.17**	**113.36**

7 Non-Current Income tax assets (net)

(₹ in Millions)

Particulars	As at 31st March , 2021	As at March 31, 2020	As at March 31, 2019
Advance tax and TDS (net of provision for tax)	32.78	36.08	3.75
	32.78	**36.08**	**3.75**

8 Other non-current assets

(₹ in Millions)

Particulars	As at 31st March , 2021	As at March 31, 2020	As at March 31, 2019
Capital advances (considered good)	897.55	69.30	-
Deferred portion of financial assets carried at amortized cost	23.93	12.69	14.19
Other non current assets	5.02	2.87	-
	926.49	**84.86**	**14.19**

9 Inventories
(Valued at lower of cost or net realisable value)

(₹ in Millions)

Particulars	As at 31st March , 2021	As at March 31, 2020	As at March 31, 2019
Raw Materials and components	2,404.95	1,887.81	647.77
(including goods-in-transit of Rs 1517.84 million (31st March 2020 Rs. 985.83 millions, 31st March 2019 Rs. 397.30 millions)			
Packing Materials	5.24	4.24	7.69
Work-in-process	236.91	131.37	72.53
Finished goods	1,005.00	174.26	106.80
(including goods-in-transit of Rs. 267.54 millions (PY Nil))			
Stock-in-trade	27.91	233.37	164.53
	3,680.02	**2,431.05**	**999.31**

Inventory have been pledged as security against bank borrowings, details relating to which have been given in note no 24

(₹ in Millions)

10 Current Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Investment in mutual funds (Quoted)			
HDFC Liquid Fund	7.56	10.25	-
1882.205 (31st March 2020 2642.205) Units of Rs. 1,000 each)			
HDFC Low Duration Fund	26.03	24.31	-
578340.395 (31st March 2020 :- 578340.395) Units of Rs. 10 each)			
Aditya Birla Sun life - Regular Plan Growth	80.50	-	-
(No of Units : 2,44,464.2782 , (PY : Nil)			
Aditya Birla Sun life Money Manager Fund - Regular Plan Growth	100.95	-	-
(No of Units : 3,45,253.9024 , (PY : Nil)			
HDFC Money Manager Fund - Regular Plan Growth	38.63	-	-
(No of Units : 8,802.2658 , PY : Nil)			
HDFC Money Manager Fund- Regular Plan Growth	80.77	-	-
(No of Units : 25,133.487 , PY : Nil)			
	334.44	**34.56**	**-**

Investment in Mutual Fund include: (₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Aggregate book value of quoted investments	334.44	34.56	-
Aggregate market value of quoted investments	334.44	34.56	-

11 Current Trade receivables

(₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Secured considered good	60.07	697.71	-
Unsecured considered good	1,172.46	752.71	2,190.98
	1,232.53	**1,450.42**	**2,190.98**
Less: Allowance for expected credit loss (refer note 50)	(65.28)	(48.00)	(39.48)
	1,167.24	**1,402.42**	**2,151.50**

Trade Receivable stated above include: (₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
(Unsecured, considered good)			
Companies / LLP where directors are interested	25.76	494.79	201.44

12 Cash and cash equivalents

(₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Balances with banks			
-In current account	63.46	66.65	132.67
-In cash credit accounts	-	-	90.32
Cash on Hand	0.16	0.25	0.10
Fixed deposits with banks with original maturity of less than three months	65.04	272.56	-
	128.66	**339.46**	**223.09**

13 Bank balances other than cash and cash equivalents

(₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Fixed deposits with Banks (with maturity more than 3 month but less than 12 months at inception)	1,304.32	797.80	1,079.34
Less: Fixed deposit with original maturity of more than one year (refer note no. 6)	330.44	350.29	107.75
	973.88	**447.51**	**971.59**

Fixed deposits with banks includes (₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Held as margin money or security against borrowings, guarantees, other commitments	1,255.97	797.80	1,079.09

14 Current Loans

(Unsecured, considered good)

(₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March, 2019
Considered good			
Loans to related parties (Refer Note 45)	437.29	553.72	612.75
Loans to others	41.97	17.78	31.24
	479.25	**571.50**	**643.99**

Loans Receivable considered good	479.25	571.50	643.99
Loans receivable which have significant increase in credit risk	-	-	-
Loan receivables - credit impaired	-	-	-

Loans to related parties includes : (₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Companies / LLP where directors are interested	437.29	553.72	612.75

15 Other Current Financial assets

Unsecured, considered good (₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Deposits	26.32	20.65	6.52
Less: Provision for doubtful deposits	(10.50)	-	-
	15.82	**20.65**	**6.52**
Accrued interest	16.02	9.64	14.63
Foreign currency forward and option contracts	-	6.61	2.42
Escrow account balances	0.02	0.04	25.11
Export incentive receivable	-	22.08	-
Unbilled revenue	10.83	2.10	-
Government Grant receivables	11.86	6.37	-
Refund receivable from government authorities	42.20	187.43	-
Others Receivable	155.72	151.18	167.73
	252.46	**406.11**	**216.41**

Other Receivables includes : (₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Other Receivables includes :			
Companies / LLP where directors are interested (Considered good)	9.38	-	-

16 Other Current assets

(₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Advance to suppliers	219.82	159.76	135.08
Less: Allowance for doubtful advances	(8.68)	(5.93)	(1.54)
	211.14	**153.83**	**133.54**
Prepaid expenses	59.04	19.97	7.46
Balances with government authorities	408.45	260.38	462.83
Others	10.80	7.26	3.52
	689.42	**441.44**	**607.34**

Advance to suppliers includes : (₹ in Millions)

Particulars	As at 31st March , 2021	As at 31st March , 2020	As at 31st March , 2019
Companies / LLP where directors are interested	7.00	5.20	0.15

17 Equity share capital

a. Details of authorised, issued and subscribed share capital **(₹ in Millions)**

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Authorised capital			
50,00,00,000 equity shares of Rs. 10/- each	5,000.00	5,000.00	5,000.00
Issued capital, subscribed and paid up			
19,71,38,492 equity shares of Rs. 10/- each	1,971.38	1,971.38	1,971.38
	1,971.38	**1,971.38**	**1,971.38**

b. Terms and conditions
The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shareholders having more than 5 % shareholding

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020		As at 31st March, 2019	
	Number	Percentage	Number	Percentage	Number	Percentage
Mahavir Thermoequip Private Limited	5,78,26,867	29.33%	5,78,26,867	29.33%	5,78,26,867	29.33%
Pankaj Chimanlal Doshi	2,51,43,284	12.75%	-	-	-	-
Bindiya K. Doshi	1,97,68,112	10.03%	1,97,07,174	10.00%	1,96,67,174	9.98%
Binita H.Doshi	1,56,47,944	7.94%	1,55,87,006	7.91%	1,55,87,006	7.91%
Neepa V Doshi	1,51,89,901	7.71%	1,51,89,901	7.71%	1,51,64,151	7.69%
Hitesh C. Doshi	1,41,04,082	7.15%	1,40,43,144	7.12%	1,39,64,069	7.08%
Bina P. Doshi	-	-	1,16,69,853	5.92%	1,17,53,178	5.96%
Viren C. Doshi	1,09,54,007	5.56%	1,08,93,069	5.53%	1,08,93,069	5.53%
Kirit C Doshi	1,01,92,782	5.17%	1,01,31,844	5.14%	1,00,64,269	5.11%

d. Reconciliation of number of shares

Particulars	As at 31st March, 2021		As at 31st March, 2020		As at 31st March, 2019	
	Number	Rs. in Millions	Number	Rs. in Millions	Number	Rs. in Millions
Shares outstanding at the beginning of the year	19,71,38,492	1,971.38	19,71,38,492	1,971.38	19,71,38,492	1,971.38
Shares Issued during the year						
Shares outstanding at the end of the year	**19,71,38,492**	**1,971.38**	**19,71,38,492**	**1,971.38**	**19,71,38,492**	**1,971.38**

e. Shares issued other than Cash

The aggregate number of equity share alloted as fully paid up by way of bonus shares in immediately preceeding five years ended are as follows

Year	FY 2020-2021	FY 2019-2020	FY 2018-2019	FY 2017-2018	FY 2016-2017
No. of shares alloted as bonus share	-	-	-	12,13,15,992	-

Waaree Energies Limited
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Notes to the Restated Consolidated Financial Information - Other Information
18 Other equity

(₹ in Millions)

Particulars	Debeture Redemption Reserve	Foreign Currency Translation Reserve	Capital Reserve on consolidation	Retained Earnings	Attributable to owners of the company	Non-controlling interest	Total
Balance as at April 1, 2018	250.00	(2.94)	4.40	(467.08)	(215.62)	0.00	(215.62)
Adjustments during the year	-	(0.13)	-	-	(0.13)	-	(0.13)
Creation of debenture redemption reserve	125.00	-	-	(125.00)	-	-	-
Transfer to retained earnings on redemption of debentures	(237.50)	-	-	237.50	-	-	-
Transition impact on adoption of Ind AS 116 (refer Note 46)	-	-	-	(17.73)	(17.73)	-	(17.73)
On disposal of subsidiary	-	2.33	-	-	2.33	-	2.33
Total Comprehensive Income for the year	-	-	-	827.63	827.63	-	827.63
Balance as at March 31, 2019	**137.50**	**(0.74)**	**4.40**	**455.32**	**596.47**	**0.00**	**596.47**
Adjustments during the year	-	(0.69)	-	-	(0.69)	-	(0.69)
Creation of debenture redemption reserve	-	-	-	-	-		-
Acquisition of business	-	-	-	-	-	443.66	443.66
Transfer to retained earnings on redemption of debentures	(79.00)	-	-	79.00	-	-	-
Total Comprehensive Income for the year	-	-	-	413.00	413.00	(26.89)	386.11
Balance as at March 31, 2020	**58.50**	**(1.43)**	**4.40**	**947.32**	**1,008.79**	**416.77**	**1,425.56**
Adjustments during the year	-	-	-	-	-	-	-
Creation of debenture redemption reserve	187.50	-	-	(187.50)	-	-	-
Transfer to retained earnings on redemption of debentures	(58.50)	-	-	58.50	-	-	-
Acquisition of business	-	-	-	-	-	(4.75)	(4.75)
Adjustment towards Business Combination as per IND AS 103	-	-	-	(23.80)	(23.80)	-	(23.80)
Total Comprehensive Income for the year	-	-	-	493.50	493.50	(9.91)	483.59
Balance as at March 31, 2021	**187.50**	**(1.43)**	**4.40**	**1,288.02**	**1,478.49**	**402.11**	**1,880.60**

Nature and Purpose of Reserves

Debenture redemption reserve

The Group is required to create a debenture redemption reserve out of the profits which are available for payment of dividend to be utilised for the purpose of redemption of debentures in accordance with the provisions of the Act.

Foreign currency translation reserve (FCTR)

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is presented within equity in the FCTR.

Capital reserve

The Group recognizes profit or loss on purchase or cancellation (including forfeiture) of its own equity instruments to capital reserve.

Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders

Other Comprehensive income

Other Comprehensive income consists of remeasurement gains/ (loss) on defined benefit plans and fair value changes on derivatives designated as cashflow hedges.

Waaree Energies Limited
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Notes to the Restated Consolidated Financial Information - Other Information

19 Non-Current Borrowings **(₹ in Millions)**

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Secured			
Non Convertible Debentures			
15.50% Non Convertible Debentures - Tranche - II	-	234.00	550.00
Less:Unamortised transaction cost	-	(1.54)	(10.71)
Less: Current maturities of long term debt (Refer note 27)	-	(232.46)	(316.00)
	-	**-**	**223.29**
13.90% Non Convertible Debentures - Series A	350.00	-	-
Less:Unamortised transaction cost	(3.18)	-	-
Less: Current maturities of long term debt (Refer note 27)	(250.00)	-	-
	96.82	**-**	**-**
14.15% Non Convertible Debentures - Series B	400.00	-	-
Less:Unamortised transaction cost	(4.04)	-	-
	395.96	**-**	**-**
	492.78	**-**	**-**
Vehicle loan	7.94	6.48	7.51
Less: Current maturities of long term debt (Refer note 27)	(2.71)	(1.64)	(2.61)
	5.23	**4.84**	**4.90**
Term Loan from others	1,157.96	436.73	508.06
Less:Unamortised transaction cost	(2.77)	(4.52)	-
Less: Current maturities of long term debt (Refer note 27)	(124.38)	(103.90)	(77.93)
	1,030.81	**328.31**	**430.13**
Unsecured			
Inter corporate deposits from related parties (Refer note 45)	-	13.34	-
Inter corporate deposits from others	442.47	366.70	-
	442.47	**380.04**	**-**
	1,971.29	**713.19**	**658.32**

Reconcilation of borrowings

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance as at the beginning of the year	1,068.49	1,072.17	4,635.15
Cash flows (repayment)/ proceeds	1,301.12	(14.91)	(150.62)
Non cash changes:	-	-	-
Foreign exchange movement	-	-	-
Amortised borrowing cost	3.29	11.24	20.40
Balance as at the end of the year	2,372.90	1,068.49	1,072.17
II. Current borrowings			
Balance as at the beginning of the year	204.42	15.44	507.80
Cash flows (repayment)/ proceeds	342.90	188.98	(492.36)
Balance as at the end of the year	**547.32**	**204.42**	**15.44**

Non Convertible Debentures includes(Secured)

Tranche - II, 15.50% Secured, Listed, Rated, Redeemable 550 Nos of Non-Convertible Debentures of face value Rs.1 million each aggregating to Rs. Nil million (31st March 2020: Rs. 234.00 millions & 31st March 2019 : Rs 550 million), are secured by way of:
(i) First ranking pledge of over 95.46% shares of Waaree Energies Limited held by the Promoters and Promoters Group
(ii) First ranking pledge of over 49% shares held in Waaneep Solar Private Limited (wholly owned subsidiary) of Waaree Energies Limited along with its Nominees has been released on August 7, 2018
(iii) First ranking exclusive charge on the Designated Escrow Account and its sub-accounts, if any
(iv) First ranking exclusive charge on the permitted investments in Debt Serve Reserve Account (DSRA)
(v) Residual charge on all the fixed and current assets
(vi) Joint and several personal guarantee provided by the guarantors, viz. Mr. Hitesh Doshi and Mr. Viren Doshi
The Debentures have been fully repaid during the year

13.90% Secured, Unlisted, Senior, Redeemable 350 Nos of Non-Convertible Debentures of face value Rs.1 million each aggregating to Rs.350 million (PY Rs. Nil million), secured by way of:
(i) First ranking pledge over the 51% shares of the Company held by Promoter group in terms of Pledge Agreement;
(ii) First ranking charge and hypothecation over proceeds from sale of Waneep Solar Private Limited's stake and Nagari Project (approximately 750 million);
(iii) First ranking charge and hypothecation over the Company's Designated Account and all amounts standing to the same, whether now or in the future, other than the DSR amount;
(iv) First ranking pledge over 100% sharers of the Waaree Renewables Private Limited (WRPL) held by promoters;
(v) Corporate Guarantee from WRPL;
(vi) First and exclusive charge overall fixed assets & current assets of WRPL, including the WRPL Designated Account.
(vii) First ranking and exclusive charge on the DSR Amount;
(viii) Residual charge on all the fixed and current assets of the Company;
(ix) Demand Promissory Note and Letter of Continuity from the Company; and
(x) Personal Guarantees provided by the Promoters in favour of the Debenture Trustee.
The Debentures are redeemable in 3 quarterly instalments starting November 1, 2021.

14.15% Secured, Unlisted, Senior, Redeemable 400 Nos of Non-Convertible Debentures of face value Rs.1 million each aggregating to Rs.400 million (PY Rs. Nil millions), are secured by way of:
(i) First ranking pledge over the 51% shares of the Company held by Promoter group in terms of Pledge Agreement;
(ii) First ranking charge and hypothecation over proceeds from sale of Waneep Solar Private Limited's stake and Nagari Project (approximately 750 million);
(iii) First ranking charge and hypothecation over the Company's Designated Account and all amounts standing to the same, whether now or in the future, other than the DSR amount;
(iv) First ranking pledge over 100% sharers of the Waaree Renewables Private Limited (WRPL) held by promoters;
(v) Corporate Guarantee from WRPL;
(vi) First and exclusive charge overall fixed assets & current assets of WRPL, including the WRPL Designated Account.
(vii) First ranking and exclusive charge on the DSR Amount;
(viii) Residual charge on all the fixed and current assets of the Company;
(ix) Demand Promissory Note and Letter of Continuity from the Company; and
(x) Personal Guarantees provided by the Promoters in favour of the Debenture Trustee.
The Debentures are redeemable in 4 quarterly instalments starting May 1, 2022.

Vehicle Loans (Secured)

Hire purchase loan from banks amounting to Rs. 7.94 millions (31st March 2020 : Rs 6.48 millions, 31st March 20019 : Rs. 7.51 millions) which is secured by hypothecation of Vehicle financed. The said loan is repayable monthly in 36 to 60 equal instalments @ interest rate of 8.5 % p.a to 9.61 % p.a.

Term Loan from others includes (Secured)

(i) Loan from Indian Renewable Energy Development Agency Limited (IREDA) amounting to Rs.332.82 million (31st March 2020: Rs.436.73 millions, 31st March 2019: Rs 508.06 millions). The loan has to be repaid in 20 quarterly instalments starting from September 30, 2019 and carries interest rate of 11.00% (PY 10.80%) per annum. The loan is primarily secured by hypothecation of all Movable Assets of 1 GW Solar PV Module Manufacturing plant at Village-Tumb, Tal-Umbergaon, Dist-Valsad, Gujarat and second charge on existing movable and immovable assets of the company. The loan is also collaterally secured by fixed deposit of Rs.78.00 million (PY Rs.78.00 millions) and personal guarantee by one of the Director and his relative.

(ii) Loan from Indian Renewable Energy Development Agency Limited (IREDA) amounting to Rs.45.04 million (PY Rs. Nil millions) under the Modified Top up Loan Scheme to tide over fund crisis due to Coronavirus pandemic. The loan has to be repaid in 15 quarterly instalments starting from December 31, 2020 and carries interest rate of 11.00% per annum. The loan is primarily secured by extension of charges on the primary security / collateral security already held for the main loan i.e. hypothecation of all Movable Assets of 1 GW Solar PV Module Manufacturing plant at Village-Tumb, Tal-Umbergaon, Dist-Valsad, Gujarat and second charge on existing movable and immovable assets of the company and collaterally secured by fixed deposit of Rs.78.00 million and personal guarantee by one of the Director and his relative.

(iii) During the year, The group company has availed loan from Indian Renewable Energy Development Agency Limited (IREDA) amounting to Rs.369.80 million (PY Rs.Nil millions). The outstanding balance as on March 31, 2021 is Rs Rs 347.5 million. The loan has to be repaid in 48 quarterly instalments starting from December 31, 2020 and carries interest rate of 10.95% per annum. The loan is primarily secured by first charge on all the borrowers movables including machinery, machinery spares, tools and accessories pertaining to (12.5 MWp) solar PV Project at Polagam Taluk, karikal District, pondicherry and elsewhere both present & future.

(iii) Loan from Aditya Birla Finance Limited amounting to Rs.432.60 million (PY Rs. Nil millions). The loan has to be repaid in 53 quarterly instalments starting from June 30, 2022 and carries interest rate of 9.65% per annum. This facility is secured as follows:
1) First and exclusive charge on all the freehold and/or leasehold rights on all immovable properties/assets, project documentation (backed by any NOC required from the lessor for the purpose of this mortgage)
2) First and exclusive charge by way of hypothecation of all present and future movable assets, but not limited to plant, machinery, spares ,etc.
3) First and exclusive charge on current assets, including but not limited to book debts, operating cash flows, receivables, commissions, revenue of whatsoever in nature and where arising present or future
4) Pari-passu charge on intangibles not including goodwill, uncalled capital, bank account including but not limited to TRA & DSRA
5) Pari-passu charge and assignment by way of security all the rights, title, interest and benefits, claims and demand whatsoever in the project documents under all clearance, to extend permissible under applicable law, both present and future.
6) Pledge of shares of Waacox Energy Private Limited upto 51% of total paid up share capital, held by majority of shareholder. The shares pledged shall be free form any restrictive covenants/ lien or any other encumbrance under any contacts.

<u>Intercorporate deposit (Unsecured)</u>

Intercorporate deposits amounting to Rs. 442.47 millions (31st March 2020 Rs. 380.04 millions) are repayable after one year and carries interest from 0% p.a. To 18% p.a.

20 Lease liabilities

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Lease liabilities	443.70	274.01	313.99
	443.70	**274.01**	**313.99**

21 Non-Current Provisions

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Provision for warranty	304.00	236.83	153.89
<u>Provision for employee benefits:</u>			
Leave entitlement	20.78	16.97	22.30
Gratuity	0.72	4.92	-
	325.50	**258.72**	**176.19**

In pursuance of Ind AS 37 'Provisions, Contingent Liabilities and Assets', the provisions required have been incorporated in the books of accounts in the following manner

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Opening Balance	236.83	153.89	137.24
Additions during the year	72.31	85.77	65.18
Less: Utilisation during the year	(5.14)	(2.83)	(48.53)
Closing Balance	**304.00**	**236.83**	**153.89**

The provision for warranty represents the expected outflow of resources against claims for performance shortfall expected in future over the life of the guarantee assured.

Waaree Energies Limited
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Notes to the Restated Ind As Consolidated Financial Information - Other Information

22 Tax expenses

(a) Amounts recognised in Statement of Profit and Loss **(₹ in Millions)**

Particulars	Year Ended 31st March , 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
Current tax expense (A)			
Current year	198.35	190.45	168.96
Short/(Excess) provision of earlier years (B)			
Tax for earlier years	-	0.12	-
Deferred tax expense (C)			
Origination and reversal of temporary differences	18.79	(11.42)	33.61
Tax expense recognised in the income statement (A+B+C)	**217.14**	**179.16**	**202.58**

(b) Amounts recognised in other comprehensive income **(₹ in Millions)**

Particulars	Year Ended 31st March, 2021			Year Ended 31st March, 2020			Year Ended 31st March, 2019		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss									
Remeasurements of the defined benefit plans	(2.19)	0.51	(1.68)	3.33	(0.58)	2.78	(4.04)	1.41	(2.63)
Fair value changes on derivatives designated as cashflow hedge	-	-	-	1.61	(0.26)	1.35	(2.47)	0.86	(1.61)
	(2.19)	**0.51**	**(1.68)**	**4.94**	**(0.84)**	**4.13**	**(6.51)**	**2.27**	**(4.23)**

(c) Reconcilation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows

(₹ in Millions)

Particulars	Year Ended 31st March , 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
Profit before tax	699.04	569.37	1,025.98
Company's domestic tax rate for 31st March 2021 & 31st March 2020 is 25.168% (31st March 2019: 34.944%)	175.94	143.30	358.52
Tax effect of :			
Tax effect on non-deductible expenses	(17.09)	(1.22)	(228.95)
Tax effect of other income	49.80	31.31	(3.48)
Others	8.50	5.77	75.92
Adjustments recognised in current year in relation to the current tax of prior years	-	-	0.56
Tax expense as per Statement of Profit & Loss	**217.15**	**179.16**	**202.57**
Effective tax rate	31.06%	31.47%	19.74%

a) For Income tax pending litigation refer note 42 a

b) Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

(d) Deferred tax liabilities (net) **(₹ in Millions)**

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Deferred tax liabilities			
Property, plant and equipments	-	5.51	25.01
Excess of capital expenditure allowed in income tax over expenditure debited to profit and loss account	92.14	35.45	2.72
	92.14	**40.96**	**27.73**
Deferred tax asset			
Property Plant & Equipment	25.17	-	-
Provision for doubtful debts/ advances	4.97	1.63	0.54
Provision for expected credit loss	16.43	12.08	13.80
Expense not allowed for tax purpose	0.42	0.65	-
Provision for employee benefits	3.91	4.67	8.44
	50.90	**19.03**	**22.78**
	41.24	**21.93**	**4.96**

The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and relates to income taxes levied by the same tax authority.

23 Other non-current liabilities

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Deposits from dealer, franchisee etc.	-	-	2.40
Deferred Government Grant	13.89	9.80	-
	13.89	**9.80**	**2.40**

24 Current Borrowings

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Loans repayable on demand			
Secured			
From Banks:-			
Cash credit facility	525.66	173.39	-
Unsecured			
Inter corporate deposits from related parties	-	-	11.25
Loan from directors	0.02	-	-
Inter corporate deposits from others	21.64	31.03	4.18
	547.32	**204.42**	**15.43**

Secured loans

Working capital loan from Banks includes Cash credit facility under consortium banking arrangement from State Bank of India (Lead Bank), Bank of Maharashtra and IndusInd Bank amounting to Rs.525.66 millions (31st March 2020: Rs.173.39 millions) is secured against:

i) Hypothecation of the entire current assets of the Company.

ii) Collaterally secured by mortgage of factory land & building & hypothecation of plant & machinery of the Company situated at plot no 231-236, SEZ, Surat.

iii)The said facility is also secured by corporate guarantee of Mahavir Thermoequip Pvt. Ltd and mortgage of personal property of relative of directors and personal guarantee of two directors of the Company. Cash credit facility carries interest rate : (a) State Bank of India - 6 Months MCLR + 2.75 % (b) Bank of Maharashtra - 1 year MCLR + 2.50 % (c) IndusInd Bank Ltd - 1 year MCLR + 1.30%.

Intercorporate deposit (Unsecured)

Intercorporate deposits amounting to Rs. 21.64 millions (31st March 2020: Rs 31.03 millions , 31st March 2019 : Rs. 15.43 millions) are repayable on demand and carries interest from 0% p.a. to 18% p.a.

25 Lease liabilities

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Lease liabilities	59.57	41.09	36.59
	59.57	**41.09**	**36.59**

26 Trade payables

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Total outstanding dues of micro enterprises and small enterprises	117.22	70.03	6.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,254.89	2,929.70	3,071.87
	4,372.11	**2,999.73**	**3,077.92**

Note : The information regarding Micro Small and Medium Enterprises has been determined on the basis of information available with the Company .

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
The principal amount remaining unpaid to any supplier as at the end of accounting year;	117.22	70.03	6.05
The interest due and remaining unpaid to any supplier as at the end of accounting year;	0.44	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed date during each accounting year;	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the MSMED Act, 2006;The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.44	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-	-

Interest paid / payable by the Company on the aforesaid principal amount has been waived by the concerned supplier.

Trade payable are normally settled within 30 to 90 days
Trade payable to related parties has been disclosed in note 45

27 Other financial liabilities

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Current maturities of long term debt	377.10	338.00	396.54
Interest accrued	17.16	6.74	14.36
Payables for capital goods	21.10	31.62	7.01
Other payables	47.65	35.22	167.50
	463.01	**411.58**	**585.41**

28 Current Provisions

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits:			
Leave entitlement	1.81	1.76	1.85
Provision for gratuity	0.02	0.00	-
	1.83	**1.76**	**1.85**

29 (a) Other current liabilities

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Advances from customers	522.94	841.07	624.67
Statutory dues payable	44.96	35.01	24.76
Deposits from dealer, franchisee etc.	0.35	7.31	67.73
Government Grant	9.79	23.69	-
Others	2.34	0.87	0.85
	580.38	**907.95**	**718.01**

29 (b) Current tax liabilities

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Provision for taxation (net of advance tax & TDS)	133.40	141.53	27.37
	133.40	**141.53**	**27.37**

30 Revenue from operations (₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Sale of products and services			
Sale of Solar Power Products	19,321.67	19,722.28	15,281.77
Sale of Services	34.25	25.60	34.68
Generation of Electricity from Renewal Sources	61.83	24.28	538.46
Other operating revenue			
Export incentives	43.96	67.17	-
Sale of scrap	30.22	29.02	21.25
Franchisee fees	35.84	89.48	34.19
	19,527.76	**19,957.83**	**15,910.35**

31 Other income

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Interest income	172.97	136.95	102.16
Interest received on financial assets carried at amortised cost	2.15	2.09	1.88
Interest received on financial assets carried at amortised cost - Trade receivable	-	1.23	4.99
Government Grant	38.15	72.88	35.41
Profit on foreign exchange fluctuation (net)	159.55	23.14	24.07
Profit on sale of property, plant and equipment	2.38	-	0.87
Profit on sale of current investment	0.57	1.04	3.06
Gain on change in fair value of investment	3.14	0.57	-
Fair value gain on financial assets measured at fair value through profit or loss	10.16	-	4.35
Miscellaneous receipts	16.87	17.39	40.16
	405.94	**255.29**	**216.95**

32 Cost of materials consumed

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Opening stocks	1,887.81	647.77	552.82
Add: Purchases	13,594.70	15,824.00	11,538.75
Less: Closing stocks	(2,404.95)	(1,887.81)	(647.77)
Less: Cost of raw materials sold to subsidiaries	(458.47)	(259.60)	(524.71)
	12,619.09	**14,324.36**	**10,919.09**

33 Purchases of stock-in-trade

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Purchases	4,226.26	2,167.99	1,254.61
	4,226.26	**2,167.99**	**1,254.61**

34 Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Opening Inventory			
Traded Goods	233.37	164.53	188.37
Finished Goods	174.26	106.81	215.02
Work-In-Progress	131.37	72.53	24.18
	539.00	**343.86**	**427.57**
Closing Inventory			
Traded Goods	(27.91)	(233.37)	(164.53)
Finished Goods	(1,005.00)	(174.26)	(106.80)
Work-In-Progress	(236.91)	(131.37)	(72.53)
	(1,269.82)	**(539.00)**	**(343.85)**
	(730.82)	**(195.14)**	**83.72**

35 Other manufacturing and EPC project expenses

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Stores and spares consumed	35.92	34.22	26.55
Electricity charges	101.14	126.49	100.81
Labour charges	261.20	241.73	216.64
Job work charges	18.03	37.21	5.97
Repairs and Maintenance:-			
Repairs to machinery	2.94	14.16	6.10
Repairs to building	0.92	2.01	0.42
EPC project expenses	138.74	220.59	260.83
Less: Elimination of other manufacturing and EPC project expense for subsidiaries	(14.10)	(10.52)	(38.20)
	544.79	**665.89**	**579.12**

36 Employee benefits expense

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Salaries and incentives	393.27	463.06	387.19
Directors remuneration	54.37	51.13	39.95
Contribution to PF and other funds	15.84	19.11	13.43
Staff welfare expenses	30.32	21.03	15.85
Less: Elimination of employee expense for subsidiaries	(12.24)	(8.20)	(25.42)
	481.55	**546.12**	**431.00**

37 Sales,administration & Other Expenses

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Rent	6.42	8.80	11.47
Amortisation of deferred portion of financial asset carried at amortized cost	-	-	4.99
Insurance	55.03	25.00	13.63
Rates and taxes	1.40	5.76	2.16
Legal and professional	88.66	91.87	64.76
Auditors remuneration	3.02	2.51	5.25
Travelling and conveyance	18.21	50.26	57.36
Warranty	72.31	85.77	65.18
Business promotion expenses	64.88	73.89	271.68
Commission	34.95	36.92	117.65
Packing materials expenses	175.29	195.31	147.04
Transportation freight, duty and handling charges	932.38	796.26	339.92
Operation and maintenance expenses	-	1.07	4.27
Bad debts	-	44.56	64.57
Provision for expected credit loss	17.27	8.52	1.46
Provision for impairment of assets	-	17.63	-
Capital-work-in-progress written off	0.53	4.18	-
Loss on sale/discard of property, plant and equipment	-	5.22	0.27
Corporate social responsibility expense (Refer note 49 A)	11.04	15.13	8.97
Miscellaneous expenses	95.52	80.18	96.04
Less: Elimination of other expense for subsidiaries	(38.30)	(22.74)	(70.50)
	1,538.61	**1,526.10**	**1,206.17**

Payment to Auditors of Holding Co.

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Audit fees	2.89	2.39	2.39
Tax matters	0.11	0.11	2.81
Other services	0.02	0.01	0.05
	3.02	**2.51**	**5.25**

38 Finance costs

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Interest expense	225.34	245.90	531.22
Interest expense on lease liability	21.91	23.71	24.88
Interest on income Tax liability	12.69	10.83	4.89
Other borrowing costs	56.16	61.40	29.92
Less: Elimination of finance cost for subsidiaries	(6.93)	(4.78)	-
	309.17	**337.06**	**590.91**

39 Depreciation and amortization expense

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Depreciation on property, plant and equipment	234.31	218.20	184.42
Depreciation on lease assets	49.71	49.87	43.78
Amortisation on intangible assets	2.56	3.25	178.99
	286.58	**271.33**	**407.18**

40 Exceptional Items

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Gain on disposal of investment	40.56	-	370.51
	40.56	**-**	**370.51**

During the year 2018-19 investment in wholly owned subsidiary Waaneep Solar Private Limited and Waaree Japan KK (step down subsidiary) has been disposed off by its parent company Waaree Energies Limited and Rasila International Pte. Ltd. respectively. Rs.370.51 millions represent derecognition of carrying amount of the net assets, recognition of the fair value of the consideration received and recognition of the gain associated with the loss of control attributable to the controlling interest in subsidiaries.

The Purchaser of wholly owned subsidiary Waaneep Solar Private Limited had withheld amount of Rs 326.17 million due to certain contingency involved. During the year 2020-2021, the company has recognised Rs 40.56 millions out of the total amount as income based on settlement agreement.

41 Earnings per equity share:

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Basic / Dilutive Earnings per Share			
Profit attributable to equity shareholders (in Millions)	492.10	417.10	823.40
Weighted average number of equity shares (In Millions)	197.14	197.14	197.14
Basic and Diluted Earnings Per Share (in Rs)	2.50	2.12	4.18
Face value per Share (in Rs)	10	10	10

42 Contingent Liabilities, assets & Commitments

a) Contingent liabilities

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Contingent liabilities not provided for:			
Claims against the parent company not acknowledged as debts	130.61	57.38	54.10
Disputed statutory liability of parent company	98.33	108.25	117.36
Guarantee given by bank on behalf of the the parent company	483.42	576.65	810.52
Guarantee/indemnity given by parent company to others	786.66	880.09	554.39
Letter of credit outstanding of parent company	535.50	148.89	126.21
Inland/export bill discounting of parent company	1,770.56	1,493.55	1,506.20
	3,805.07	**3,264.82**	**3,168.78**

b. Contingent assets

During the FY 2018-19, the holding company has entered into Share Purchase Agreement and its amendment for sale of the investment in its wholly owned subsidiary "Waaneep Solar Private Limited". As per terms of the agreement Rs. 484.17 million is withheld by the buyer which will be remitted on closure of pending litigations and obligations in such subsidiary. The company has recognized Rs.40.56 million (FY 2019-20 Rs. 158.00 million) on the basis of certainty and balance amount of Rs. 251.07 million (FY 2019-20 Rs. 326.17 million) will be recognized as income on successful closure of such litigations and obligations which are contingent in nature.

c) Capital commitments

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,052.64	462.95	32.25
	1,052.64	**462.95**	**32.25**

Waaree Energies Limited
Annexure VI
Notes to the Restated Consolidated Financial Information - Other Information

Note 43: Disclosure pursuant to Ind As 19 "Employee Benefit Expenses"

The Group has a funded defined benefit gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age

The following tables summarise the components of net benefit expense recognised in the Restated Ind AS consolidated summary statement of profit or loss and the funded status and amounts recognised in the Restated Ind AS consolidated statement of assets and liabilities for the respective plans:

The disclosure in respect of the defined Gratuity Plan are given below:

(₹ in Millions)

Particulars	Defined Benefit Plans		
	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Present value of funded obligations	29.43	24.45	18.26
Fair value of plan assets	28.64	19.53	19.83
Net (asset)/ liability recognised	**0.79**	**4.92**	**(1.57)**

Movements in plan liabilities **(₹ in Millions)**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Present value of obligation as at the beginning of the year:	24.45	18.26	14.54
Transfer from subsidiary	-	0.02	-
Transfer in/(out) obligation	-	-	-
Current service cost	6.03	4.59	4.81
Past service cost	-	-	-
Interest cost/(income)	1.65	1.40	1.04
Actuarial (gain)/loss arising from changes in financial assumptions	0.00	2.51	(0.31)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(0.02)	-
Actuarial (gain)/loss arising from experience adjustments	(0.46)	(0.98)	(0.28)
Benefit payments	(2.29)	(1.32)	(1.53)
Total	**29.38**	**24.45**	**18.26**

Movements in plan assets **(₹ in Millions)**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Present value of obligation as at the beginning of the year:	19.53	19.83	16.01
Transfer in/(out) obligation		-	-
Interest cost/(income)	1.52	1.73	1.34
Return on plan assets excluding amounts included in net finance income/cost	(0.30)	(0.70)	(0.37)
Employer contributions	10.18	-	4.39
Benefit payments	(2.29)	(1.32)	(1.53)
Total	**28.64**	**19.53**	**19.83**

Statement of Profit and Loss

Expenses recognised in the Statement of Profit and Loss **(₹ in Millions)**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Current service cost	6.03	4.59	4.81
Interest cost/ (income)	0.14	(0.33)	(0.29)
Net actuarial (gain) / loss recognized in the year			-
Total amount recognised in Statement of Profit and Loss	**6.16**	**4.26**	**4.52**

Remeasurement (gains)/ losses recognised in OCI **(₹ in Millions)**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Return on plan assets excluding amounts included in net finance income/(cost)	0.30	0.70	0.37
Change in financial assumptions	0.00	2.51	(0.31)
Change in demographic assumptions	-	(0.02)	-
Experience gains/ (losses)	(0.46)	(0.98)	(0.28)
Total amount recognised in Other comprehensive income	**(0.16)**	**2.21**	**(0.22)**

Investment pattern for Fund as on **(₹ in Millions)**

Category of Asset	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Government of India Securities	0%	0%	0%
State Government Securities	0%	0%	0%
High quality corporate bonds	0%	0%	0%
Equity shares of listed companies	0%	0%	0%
Property	0%	0%	0%
Special Deposit Scheme	0%	0%	0%
Policy of insurance	100%	100%	100%
Bank Balance	0%	0%	0%
Other Investments	0%	0%	0%
Total	**100%**	**100%**	**100%**

Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind

The significant actuarial assumptions were as follows:

(₹ in Millions)

Particulars	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Discount rate	6.85%	6.85%	7.75%
Salary escalation rate	6.00%	6.00%	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Normal retirement age (in years)	58	58	58
Mortality rate	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2006-08) ultimate

Sensitivity analysis

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are: **(₹ in Millions)**

Particulars	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	Increase/decrease in liability	Increase/decrease in liability	Increase/decrease in liability
Discount rate varied by 0.5%			
0.50%	27.09	22.91	17.27
-0.50%	30.24	25.94	19.34
Salary growth rate varied by 0.5%			
0.50%	29.85	25.61	19.13
-0.50%	27.33	23.18	17.42
Withdrawal rate (W.R.) varied by 10%			
W.R.* 110%	28.77	24.46	18.38
W.R.* 90%	28.51	24.24	18.13

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption,the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The expected future cash flows as at 31st March 2021 and as at 31st March 2020 and as at 31st March 2019 were as follows:

(₹ in Millions)

Expected contribution	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Projected benefits payable in future years from the date of reporting			
1st following year	1.04	0.70	0.53
2nd following year	0.97	0.91	0.62
3rd following year	3.81	0.88	0.79
4th following year	2.98	2.31	0.79
5th following year	2.84	2.91	1.99
Years 6 to 10	7.99	7.85	8.38

[B] Other Long term employee benefits

Leave Encashment:

The Employees are entitled to accumulate Earned Leave , which can be availed during the service period. Employees are also allowed to encash the accumulated earned leave during the service period. Further, the accumulated earned leave can be encashed by the employees on superannuation, resignation, and termination or by nominee on death.

(₹ in Millions)

Particulars	Defined Benefit Plans		
	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Present value of unfunded obligations	22.54	18.73	24.16
Net (asset)/ liability recognised	**22.54**	**18.73**	**24.16**

Reconciliation of balances of Defined Benefit Obligations.

(₹ in Millions)

Particulars	Leave Encashment - Unfunded		
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Defined obligations at the beginning of the year	18.73	24.16	16.71
Transfer from subsidiary	(1.18)	0.03	-
Transfer in/(out) obligation	4.34	8.68	-
Current service cost	1.19	1.81	15.10
Interest cost	-	1.74	1.22
Actuarial loss/(gain) due to change in financial assumptions	-	0.01	(0.32)
Actuarial loss/(gain) due to change in demographic assumptions	(1.46)	(0.61)	1.08
Actuarial loss/ (gain) due to experience adjustments	7.79	-	(4.58)
Benefits paid	(7.33)	(17.08)	(5.06)
Defined obligations at the end of the year	**22.08**	**18.73**	**24.16**

Amount recognised in Statement of Profit and Loss

Expenses recognised in the Statement of Profit and Loss :- **(₹ in Millions)**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2021	Year Ended 31st March, 2021
Current service cost	4.34	8.68	15.10
Past service cost and loss/(gain) on curtailments and settlement	7.79	-	-
Net interest cost	1.19	1.81	1.22
Net value of remeasurements on the obligation and plan assets	(1.46)	1.13	(3.81)
Total amount recognised in Statement of Profit and Loss	**11.86**	**11.62**	**12.51**

Remeasurement (gains)/ losses recognised in OCI **(₹ in Millions)**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2021	Year Ended 31st March, 2021
Due to change in demographic assumptions	-	0.01	1.08
Change in financial assumptions	-	1.74	(0.32)
Experience gains/(losses)	(1.46)	(0.61)	(4.58)
Total amount recognised in Other Comprehensive Income	**(1.46)**	**1.13**	**(3.81)**

Major Actuarial Assumptions

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Discount rate (%)	6.85%	6.85%	7.75%
Salary escalation/ inflation (%)	6.00%	6.00%	6.00%
Withdrawal rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Leave availment rate	3.00%	3.00%	3.00%
Leave encashment rate	0.00%	0.00%	0.00%

The expected future cash flows as at 31st March, 2021 and as at 31st March, 2020 and as at 31st March, 2019 were as follows:

(₹ in Millions)

Expected contribution	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Projected benefits payable in future years from the date of reporting			
1st following year	1.64	1.44	1.85
2nd following year	1.49	1.47	1.89
3rd following year	1.71	1.39	1.90
4th following year	1.45	1.49	1.81
5th following year	1.66	1.59	3.22
Years 6 to 10	7.40	7.30	12.17

Sensitivity analysis

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(₹ in Millions)

Particulars	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	Increase/decrease in liability	Increase/decrease in liability	Increase/decrease in liability
Discount rate varied by 0.5%			
0.50%	20.34	17.25	23.15
-0.50%	22.55	18.92	25.24
Salary growth rate varied by 0.5%			
0.50%	22.55	18.92	25.25
-0.50%	20.33	17.24	23.13
Withdrawal rate (W.R.) varied by 10%			
W.R.* 110%	21.43	17.91	24.17
W.R.* 90%	21.36	18.20	24.14

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption,the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

[C] Current/ non-current classification

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Gratuity			
Current	0.02	0.00	-
Non-current	0.72	4.92	-
	0.74	**4.91**	**-**
Leave entitlement (including sick leave)			
Current	1.81	1.76	1.85
Non-current	20.78	16.97	22.30
	22.59	**18.73**	**24.16**

Waaree Energies Limited
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Notes to Restated Consolidated Financial Information - Other Information

Note 44 : Segment Reporting
(i)The group has determined following reporting segments based on the information reviewed by Group's Chief Operating Decision Maker ("CODM"). As per CODM, the Company is engaged in the business of "Solar Photovoltaic Modules and EPC of Solar Power Plants". Based on the business activities during the financial year, the Company has identified the following business segments :
a) Solar Photovoltaic Modules and EPC of Solar Power Plants
b) Generation of Power.

(ii)The above business segment has been identified considering (a)the nature of products and services (b) the differing risk and returns (c) the internal organization and management structure, and (d) the internal financial reporting systems.

(₹ in Millions)

Particulars	**Year Ended 31st March, 2021**	**Year Ended 31st March, 2020**	**Year Ended 31st March, 2019**
A. Segment Revenue			
Solar Photovoltaic Modules and EPC of Solar Power Plants	19,465.94	19,933.55	15,371.88
Generation of Power	61.83	24.28	538.46
Total Revenue	**19,527.76**	**19,957.83**	**15,910.34**
B. Segment Results			
Solar Photovoltaic Modules and EPC of Solar Power Plants	826.10	925.83	920.97
Generation of Power	31.57	(3.33)	515.67
Less : Unallocable expenses	9.38	-	-
Less : Depreciation	286.58	271.33	407.18
Operating Profit	**561.71**	**651.17**	**1,029.46**
Less : Finance cost	309.17	337.06	590.91
Add : Other income	405.94	255.29	216.95
Profit before tax and exceptional items	**658.48**	**569.39**	**655.50**
Add : Exceptional expenses	40.56	-	370.51
Share of profit/(loss) of Associate	-	(0.02)	(0.03)
Profit before tax	**699.04**	**569.37**	**1,025.98**
Less : Tax expense (net)	217.14	179.16	202.58
Profit after tax	**481.90**	**390.22**	**823.40**

(₹ in Millions)

Particulars	**As at 31st March, 2021**	**As at 31st March, 2020**	**As at 31st March, 2019**
C. Segments Assets			
Solar Photovoltaic Modules and EPC of Solar Power Plants	11,060.56	8,320.42	8,147.94
Generation of Power	1,727.38	1,062.22	38.37
Unallocated assets	17.25	-	-
Total	**12,805.19**	**9,382.65**	**8,186.31**
D. Segments Liabilities			
Solar Photovoltaic Modules and EPC of Solar Power Plants	7,623.20	5,761.84	5,618.44
Generation of Power	1,322.96	223.86	-
Unallocated liabilities	7.08	-	-
Total	**8,953.24**	**5,985.70**	**5,618.44**

(iii) Revenue from external customer outside India are not disclosed seperately as the internal monitoring is not done as per the CODM of the Company

FY 18-19 :- Holding company has more than 10% of its total revenue from 2 of its customers. Revenue from customer one is Rs 2696.93 millions & Second customer is Rs 2036.61 millions

FY 19-20 :- There were no customers having revenue exceeding more than 10% of total revenue

FY 20-21 :- Holding company has more than 10% of its total revenue from 2 of its customers. Revenue from customer one is Rs 2210.45 millions & Second customer is Rs 2747.563 millions

Waaree Energies Limited
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Notes to Restated Consolidated Financial Information - Other Information

45 - I :- Related Party Transactions (on a consolidated basis)

A. List of Related Parties
(As identified by the management), unless otherwise stated

Promoters
Mahavir Thermoequip Private Limited
Mr. Hitesh Doshi
Mr. Viren Doshi

Subsidiaries
Waaneep Solar Private Limited (upto 31st December, 18)
Waaree Japan KK (upto June 30, 2018)
Blue Rays Solar Private Limited
Waa Cables Private Limited (Upto 16th December 2020)
Rasila International Pte Limited
Saswata Solar Private Limited (Formerly known as Saswata Solar LLP)
Waaneep Solar One Private Limited (from 20th June 2018)
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited) (from 14th May, 19)
Waaree Power Private Limited (from 3rd January, 2020)
Sangam Solar One Private Limited (from 4th February, 2020)
Sangam Solar Two Private Limited (from 4th February, 2020)
Sangam Solar Three Private Limited (from 4th February, 2020)
Sangam Solar Four Private Limited (from 4th February, 2020)

Step down Subsidiaries through Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)
Sangam Rooftop Solar Private Limited (from 14th May, 19)
Waasang Solar Private Limited (from 14th May, 19)
Waasang Solar One Private Limited (from 14th May, 19)
Waacox Energy Private Limited (from 14th May, 19)
Waaree PV Technologies Private Limited (from 14th May, 19)

Particulars	As at 31st March 21	As at 31st March 20	As at 31st March 19
Key Managerial Personnel	Mr. Hitesh Doshi (Chairman & Managing Director)	Mr. Hitesh Doshi (Chairman & Managing Director)	Mr. Hitesh Doshi (Chairman & Managing Director)
	Mr. Viren Doshi (Whole time Director)	Mr. Viren Doshi (Whole time Director)	Mr. Viren Doshi (Whole time Director)
	Mr. Hitesh Mehta (Whole time Director) (CFO upto 3rd September 2020) (Reappointed as CFO w.e.f. 29th June 2021)	Mr. Hitesh Mehta (Whole time Director & CFO)	Mr. Hitesh Mehta (Whole time Director & CFO)
	Mrs. Binita Doshi (Non Executive Director)	Mrs. Binita Doshi (Non Executive Director)	Mrs. Binita Doshi (Non Executive Director)
	Mr. Samir Shah (Non Executive Director) (upto 5th Jan 2021)	Mr. Samir Shah (Non Executive Director)	Mr. Samir Shah (Non Executive Director)
	Mr. Modesto Volpe (Non Executive Director)	Mr. Modesto Volpe (Non Executive Director)	Mr. Modesto Volpe (Non Executive Director)
	Mr. Rajender Malla (Additional Director) (Independent) (upto 29th June 2021)	Mr. Rajender Malla (Additional Director) (Independent)	Mr. Rajender Malla (from January 16, 2019) (Additional Director) (Independent)
	Jayesh Shah (Independent Director)	Jayesh Shah (Independent Director)	Jayesh Shah (Independent Director)
	Mr. Kirankumar Jain (Company Secretary)	Mr. Kirankumar Jain (Company Secretary)	Mr. Kirankumar Jain (From May 30, 2018) (Company Secretary)
	Mr Sujit Kumar Varma (Additional Director) (from 25th February 2021)	------	------
	Mr. Abhishek Pareek (from September 4, 2020 to June 29,2021) (Chief Financial Officer)	------	------
	------	------	Ms Gayatri Borkar (Upto May 3, 2018) (Company Secretary)
	------	------	Mr. Riazul Hasan Naqvi (Upto February 9, 2018) (Independent Director)

Particulars	As at 31st March 21	As at 31st March 20	As at 31st March 19
Relative of Directors	Mr. Chimanlal Doshi	Mr. Chimanlal Doshi	Mr. Chimanlal Doshi
	Ms. Rasila Doshi	Ms. Rasila Doshi	Ms. Rasila Doshi
	------	Mr. Pujan P. Doshi	Mr. Pujan P. Doshi
	Mr. Ankit H. Doshi	Mr. Ankit H. Doshi	Mr. Ankit H. Doshi
	------	------	Mr. Manish Mehta (upto June 30, 2018)
Enterprises owned or significantly influenced by Key Management Personnel with whom there were transactions/balance during the year	Mahavir Thermoequip Private Limited	Mahavir Thermoequip Private Limited	Mahavir Thermoequip Private Limited
	Waaree Renewables Privtate Limited (Formerly Cesare Bonetti India Private Limited)	Waaree Renewables Privtate Limited (Formerly Cesare Bonetti India Private Limited)	Cesare Bonetti India Private Limited
	Waaree Solar Thermal LLP	Waaree Solar Thermal LLP	Waaree Solar Thermal LLP
	Omntec Waaree ATG Private Limited	Omntec Waaree ATG Private Limited	Omntec Waaree ATG Private Limited
	Waaree PV Power LLP (Formerly Sunmount Engineering LLP)	Waaree PV Power LLP (Formerly Sunmount Engineering LLP)	Sunmount Engineering LLP
	Waa Mall LLP	Waa Mall LLP	Waa Mall LLP
	Jain Education and Empowerment Trust (JEET)	Jain Education and Empowerment Trust (JEET)	Jain Education and Empowerment Trust (JEET)
	Shri Chimanlal Tribhuvandas Doshi Charitable Trust	Shri Chimanlal Tribhuvandas Doshi Charitable Trust	Shri Chimanlal Tribhuvandas Doshi Charitable Trust
	Waaree Technologies Limited	Waaree Technologies Limited	----
	Waaree ESS Private Limited	----	----
	Waa Motor & Pumps Private Limited	----	----
	Waaree Surya Power LLP	----	----
	Sattva Investment Advisors Private Limited	Sattva Investment Advisors Private Limited	Sattva Investment Advisors Private Limited
	Greentech Power Private Limited	Greentech Power Private Limited	Greentech Power Private Limited
	-----	-----	Waacox Energy Private Limited
	----	----	Waaree PV Technologies Private Limited
	----	----	Patan Solar Private Limited
	----	----	Sangam Renewables Limited (Formerly Sangam Advisors Limited)
	----	----	Sangam Rooftop Solar Private Limited (Formely known as 8M Solar Fund Private Ltd.)
Associates	Shalibhadra Energies Private Limited	Shalibhadra Energies Private Limited	Shalibhadra Energies Private Limited
	----	Waasang Solar One Private Limited (upto 13th May, 2019)	Waasang Solar One Private Limited (From 30th August 2018)
	----	Waasang Solar Private Limited (upto 13th May 2019)	Waasang Solar Private Limited (from 18th July, 18)

B. Transaction during the year ended and Balance Outstanding with related parties (on consolidated basis) are as follows -

(i) Disclosure in respect of transaction with Related Parties: **(₹ in millions)**

Particulars	Nature of Transaction	Year Ended 31st March 2021	Year Ended 31st March 2020	Year Ended 31st March 2019
Mr. Hitesh Doshi	Remuneration	20.03	20.14	12.75
Mr.Viren Doshi	Remuneration	12.98	13.09	10.20
Mr. Hitesh Mehta	Remuneration	20.28	17.89	17.00
Mr. Jayesh Shah	Director's sitting fees	0.35	0.25	0.40
Mr. Samir Shah	Director's sitting fees	0.25	0.25	0.35
Mr. Rajender Malla	Director's sitting fees	0.35	0.30	0.05
Ms. Gayatri Borkar	Salary	-	-	0.10
Mr. Kirankumar Jain	Salary	1.52	1.38	0.93
Mr. Abhishek Pareek	Salary	2.19	-	-
Mr. Chimanlal Doshi	Rent paid	13.20	13.20	13.20
	Reimbursement of expenses	2.37	-	-
Ms. Rasila Doshi	Rent paid	6.60	6.60	6.60
	Reimbursement of expenses	0.70	-	-
Mr. Pujan Doshi	Salary	-	1.07	0.50
Mr. Ankit Doshi	Salary	1.18	1.20	-
Mr. Manish Mehta	Salary	-	-	0.41
Waaree Technologies Limited	Loan Granted	1.00	-	-
	Loan Received back	1.00	-	-
	Interest Income	0.06	-	-
	Sales return	-	7.54	-
Waaree ESS Private Limited	Sales	40.88	-	-
	Capital Sales	49.19	-	-
Waa Motor & Pumps Private Limited	Sales	2.16	-	-
Shalibhadra Energies Private Limited	Provision for dimunition in Investment	0.03	-	-
	Purchases	-	0.47	1.20
Waaree Renewables Private Limited(Formely Known as Cesare Bonetti India Private Limited)	Slump Purchase	20.93	-	-
	Rent paid	2.44	-	-
	Loan taken	-	-	4.52
	Loan repaid	-	-	4.52
	Loan granted	-	-	238.48
	Loan received back	-	87.73	328.19
	Interest income	-	-	4.54
	Capital purchases	-	12.08	-
	Purchases	1,992.44	1,202.02	178.97
	Job work charges	18.03	37.21	-
	Capital advance given	669.39	-	-
	Capital sales	-	-	6.79
	Sales	2,210.45	600.72	112.77
Waa Cables Private Limited (Subsidiary upto 16th December,2020)	Purchases	0.15	-	-
Patan Solar Private Limited	Loan Granted	-	-	Negligible
	Loan Received back	-	-	Negligible
Sattva Investment Advisors Private Limited	Professional fees	-	-	2.50
Greentech Power Private Limited	Sales	-	12.14	-
	Sundry Balance written back	-	0.00	-
Waacox Energy Private Limited	Sales	-	-	124.30
Waaree Surya Power LLP	Purchases	35.79	-	-
	Sales	0.01	-	-
Mahavir Thermoequip Private Limited	Purchases	-	-	6.34
	Sales	-	-	0.01
Omntec Waaree ATG Private Limited	Purchases	178.77	6.79	87.60
Waaree Solar Thermal LLP	Loan Received back	-	-	0.08
	Purchases	0.88	-	-
	Expenses	-	0.13	-
Waaree PV Power LLP (Formely Known as sunmount Engineering LLP)	Loan granted	30.70	84.03	15.53
	Loan received back	125.58	80.78	24.00
	Loan taken	-	13.15	-
	Interest income	9.78	9.38	10.36
	Interest paid	-	0.21	-
	Capital purchases	0.09	-	-
	Purchases	10.67	-	5.06
	Sales	225.62	87.88	-
Waa Mall LLP	Purchases	-	1.18	1.50
	Sales	-	0.59	10.60
	Loan taken	-	0.67	0.25
	Loan repaid	-	13.00	0.51
	Interest paid	-	1.19	1.2
Jain Education and Empowerment Trust (JEET)	Corporate social responsibility expense	6.22	0.41	3.91
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	Loan Granted	-	-	88.66
	Loan Received back	-	-	64.03
	Interest Income	-	-	1.24
	Sale of Investment	-	-	-
	Capital Purchases	-	-	0.16
	Project Expenses	-	-	44.67
	Sales	-	-	-
	Services	-	-	0.18
	Loan Taken	-	-	2.41
	Interest Paid	-	-	0.17
Sangam Rooftop Solar Private Limited (Formerly known as 8M Solar Fund Private Ltd.)	Sales	-	-	83.54
	Sales Return	-	-	10.76
	Services	-	-	0.13

(ii) Outstanding Balances

(₹ in millions)

Name of Party	Receivable / Payable	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Mr. Hitesh Doshi	Salary and reimbursements payable	0.53	6.98	-
Mr. Viren Doshi	Salary and reimbursements payable	2.19	4.55	0.12
Mr. Hitesh Mehta	Salary and reimbursements payable	0.87	0.00	0.62
Mr. Kirankumar Jain	Salary and reimbursements payable	0.10	0.10	0.09
Mr. Abhishek Pareek	Salary and Reimbursements Payable	0.25	-	-
Mr. Chimanlal Doshi	Security deposits	13.00	13.00	13.00
	Trade payables	2.37	1.36	-
Ms. Rasila Doshi	Security deposits	6.00	6.00	6.00
	Trade payables	0.78	0.45	-
Mr. Pujan Doshi	Salary and reimbursements payable	-	-	0.05
Mr. Ankit Doshi	Salary and reimbursements payable	0.09	0.10	-
Waa cables Private Limited	Trade Payables	0.05	-	-
	Other Receivables	0.28	-	-
Waaree Technologies Limited	Other Receivables	0.06	-	-
	Advances from customers	-	24.61	-
Shalibhadra Energies Private Limited	Trade Payables	0.81	0.81	
Mahavir Thermoequip Private Limited	Trade payables	-	0.23	0.69
Waaree Renewables Private Limited	Trade receivables	-	494.79	114.24
	Capital Advance	669.39	-	-
	Financial liability payable	24.96	-	-
	Capital receivables	-	-	6.79
	Investment in Convertible preference sha	720.00	720.00	720.00
	Trade Payables	2.25	-	-
	Loan receivables	437.29	408.84	496.58
Waacox Energy Private Limited	Advance from Customers	-	-	418.33
Waaree ESS Private Limited	Trade Receivables	1.15	-	-
Waaree Solar Thermal LLP	Trade payables	-	0.15	-
	Trade receivables	-	-	0.19
	Advance to suppliers	-	-	0.15
Waaree PV Power LLP	Loan receivables	-	81.54	83.19
	Advance to suppliers	-	0.74	-
	Other Receivables	9.05	-	-
	Trade Receivables	20.63	-	-
Waaree Surya Power LLP	Trade Receivables	3.98	-	-
Waaree PV Technologies Private Limited	Trade payables	-	-	3.11
Sangam Rooftop Solar Private Limited (Formely known as 8M Solar Fund Private Ltd.)	Trade Receivables	-	-	69.74
Greentech Power Private Limited	Trade receivables	-	-	0.48
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	Loan Receivables	-	-	25.75
	Trade receivables	-	-	3.06
	Trade payables	-	-	28.83
	Loan payables	-	-	2.56
Waa Mall LLP	Advances from customers	-	0.05	-
	Loan payable	-	-	11.25
Shri Chimanlal Tribhuvandas Doshi Charitable Trust	Trade payables	-	1.32	1.32

Compensation to key Management personnel: **(Rs in millions)**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2019
1 Short-term benefits	20.28	17.89	17.00
2 Post-employment benefits	-	-	-
3 Sitting Fees	0.35	0.30	0.05
4 Commission to Directors	-	-	-

The above figures does not include provisions for gratuity, group mediclaim, group personal accident and compensated absences as the same is determined at the company level and is not possible to determine for select individuals.

Waaree Energies Limited
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Notes to Restated Consolidated Financial Information - Other Information

45 - II :- Related Party Transactions
On consolidation, following transactions and balances with the subsidiaries and step-down subsidiaries have been eliminated -
(i) Disclosure in respect to transactions

(₹ in millions)

Particulars	Nature of Transaction	Year Ended 31st March 2021	Year Ended 31st March 2020	Year Ended 31st March 2019
Waacox Energy Private Limited	Sales	501.15	142.64	-
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	Investment in shares	-	199.80	-
	Loan granted	39.09	1.25	-
	Loan received back	30.59	27.06	-
	Reimbursement of Expenses	2.02	-	-
	Project Expenses	-	14.63	-
	Sales	8.65	-	-
	Services	0.28	0.26	-
	Interest Income	1.99	0.07	-
Waaree PV Technogies Private Limited	Loan Granted	5.89	-	-
	Loan Received back	5.89	-	-
	Interest Income	0.04	-	-
	Sales	106.41	128.75	-
Waaneep Solar One Private Limited	Investment in shares	-	-	0.10
	Loan granted	-	0.03	0.55
	Loan received back	-	0.60	-
	Interest Income	0.00	0.01	0.04
Waasang Solar One Private Limited	Investment in shares	-	-	0.05
	Sales	0.39	28.17	-
Waasang Solar Private Limited	Investment in shares	-	-	0.03
	Loan granted	-	-	7.00
	Loan received back	-	7.24	-
	Interest Income	-	0.02	0.25
Blue Rays solar Pvt ltd	Loan received back	-	-	173.10
	Interest Income	22.26	-	-
Saswata Solar Private Limited (Formely known as Saswata Solar LLP)	Interest Income	13.92	-	-
	Reduction in Investment converted to Loan	738.40	-	-
	Share of profit / (loss) on capital	-	Negligible	0.02
Waaneep Solar Private Limited	Loan granted	-	-	249.88
	Loan received back	-	-	50.22
	Interest Income	-	-	8.58
	Sales	-	-	701.25
	Services	-	-	22.86
Waa Cables Private Limited	Loan granted	-	0.78	105.12
	Loan received back	7.06	-	105.23
	Purchases	2.92	-	-
	Interest Income	0.30	0.75	6.35
	Sales Return	-	-	25.26
Sangam Rooftop Solar Private Limited (Formely known as 8M Solar Fund Private Ltd.)	Purchases	-	10.50	-
	Project Expenses	-	9.08	-
	Sales	0.50	87.37	-
	Services	0.53	0.52	-
Rasila International Pte. Ltd.	Loan granted	-	-	0.29
	Loan received back	-	-	5.87
	Provision for dimunition in Investment	-	0.55	-
	Loan write off	-	3.46	-
Waaree Power Private Limited	Investment in shares	-	0.10	-
	Advance to Suppliers	1.80	5.20	-
Sangam Solar One Private Limited	Investment in shares	-	0.10	-
Sangam Solar Two Private Limited	Investment in shares	-	0.10	-
Sangam Solar Three Private Limited	Investment in shares	-	0.10	-
Sangam Solar Four Private Limited	Investment in shares	-	0.10	-

(ii) Outstanding Balances

(₹ in millions)

Name of Party	Receivable / Payable	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Blue Rays Solar Private Limited	Loan Receivables	298.78	278.19	278.19
Saswata Solar Private Ltd	Loan Receivables	751.27	-	-
Waa Cables Private Limited	Loan Receivables	-	7.06	5.61
Waacox Energy Private Limited	Trade Receivables	21.12	65.09	-
Waaree PV Technologies Private Limited	Other Receivables	0.04	-	-
	Trade Receivables	-	65.18	-
Waaneep Solar One Pvt Ltd	Loan Receivables	0.03	0.03	0.59
Sangam Rooftop Solar Private Limited	Trade Receivables	16.99	17.96	-
Waasang Solar Private Limited	Loan Receivables	-	-	-
Waasang Solar One Private Limited	Trade Receivables	-	0.48	-
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	Trade payables	-	0.10	-
	Trade Receivables	14.72	-	-
	Loan Receivables	10.35	-	-
Rasila International Pte Ltd	Loan Receivables	-	-	3.46
Waaree Power Private Limited	Investment	0.10	0.10	-
	Advance to Suppliers	7.00	5.20	
Sangam Solar One Private Limited	Investment	0.10	0.10	-
Sangam Solar Two Private Limited	Investment	0.10	0.10	-
Sangam Solar Three Private Limited	Investment	0.10	0.10	-
Sangam Solar Four Private Limited	Investment	0.10	0.10	-

Waaree Energies Limited
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Notes to Restated Consolidated Financial Information - Other Information

Note 46 : Leases

Effective April 1, 2019, the Company has adopted Ind AS 116, Leases, using modified restrospective approach. For the purpose of preparing Restated Consolidated Financial Information, Ind AS 116 has been applied retrospectively with effect from 01 April 2018.
On adoption of the new standard Ind AS 116 resulted in recognition of 'Right of Use' assets of Rs. 364.32 Millions and a lease liability of Rs. 382.05 Millions. The cumulative effect of applying the standard, amounting to Rs.17.73 Millions was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets for the year ended 31st March, 2021, 31st March, 2020 & 31st March, 2019

(₹ in Millions)

Particulars	**31st March 2021**	**31st March 2020**	**31st March 2019**
Balance as at 1st April, 2018	-	-	-
Opening Balance	300.16	345.79	-
Transition impact on adoption of Ind AS 116	-	-	327.13
Reclassified from property, plant and equipment	-	-	25.63
Addition	230.50	4.25	37.18
Deletion	-	-	-
Depreciation	49.70	49.88	44.15
Closing Balance	**480.95**	**300.16**	**345.79**

The following is the break-up of current and non-current lease liabilities are as follows

(₹ in Millions)

Particulars	**31st March 2021**	**31st March 2020**	**31st March 2019**
Current lease liabilities	59.57	41.09	36.59
Non-Current lease liabilities	443.70	274.01	313.99
Total	**503.27**	**315.10**	**350.58**

The following is the movement in lease liabilities during the year ended 31st March, 2021, 31st March 2020 & 31st March 2019

(₹ in Millions)

Particulars	**31st March 2021**	**31st March 2020**	**31st March 2019**
Opening Balance	**315.10**	350.58	
Balance as at 1st April, 2018			-
Transition impact on adoption of Ind AS 116			382.05
Addition	230.50		-
Finance cost accrued during the period	21.91	23.71	24.88
Deletion			-
Payment of lease liabilities	64.24	59.20	56.35
Closing Balance	**503.27**	**315.10**	**350.58**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021, March 31, 2020 & March 31, 2019 on an undiscounted basis :

(₹ in Millions)

Particulars		**Year Ended March 31, 2021**	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
- Less than one year		59.57	41.23	36.59
- Later than one year but not later than five years		293.60	182.17	170.37
Waa Cables Private Limited (Subsidiary upto 16th December,2020)	**Purchases**	0.15	**223.40**	**206.96**
		353.32	**446.80**	**413.92**

Note:

Rental Expense recorded for short term leases was for the year ended FY 20-21 Rs 6.42 millions , FY 19-20 Rs 8.80 millions, FY 18-19 Rs 11.47 millions

Note 47 : Disclosure regarding income from Engineering, Procurement and Construction Contracts

(₹ in Millions)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
i) The amount of contract revenue recognised during the year of all contract in progress at year end	642.69	1,195.69	54.49
ii) The aggregate amount of cost incurred and recognised profits upto the close of the year of all contract in progress at year end	545.39	972.27	51.10
iii) The amount of advances received of all contract in progress at year end	-	79.65	0.83
iv) Amount due from customer of all contract in progress at year end	55.88	194.35	42.14
v) Amount due to customer of all contract in progress at year end	-	-	-

Note 48 : Disclosures with regards to section 186 of the Companies Act, 2013

For Investments, refer Note 3

For Corporate guarantees given, refer Note 42

For Loan given:

The Compay has granted unsecured loan to certain parties for general corporate purpose

(₹ in Millions)

Particulars	Year ended March 31, 2021		Year ended March 31, 2020		Year ended March 31, 2019	
	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Loans to others	0 to 12%	479.25	0 to 12%	571.50	0 to 12%	643.99

Note 49 A : Corporate Social Responsibility

(₹ in Millions)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
Gross amount required to be spend by the company during the year	10.85	10.78	9.31
	10.85	**10.78**	**9.31**

Amount spent during the year on :-

(₹ in Millions)

Particulars	In Cash			Yet to be paid in cash		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2020
a) Construction / acquisition of any assets	-	0.16	-	-	-	-
b) On purpose other than (a) above	11.04	14.97	8.97	-	-	-
Total	**11.04**	**15.13**	**8.97**	**-**	**-**	**-**

Note 49 B :

The holding company on August 20, 2012 has entered into an EPC Agreement amounting to Rs. 251 million with Taxus Infrastructure and Power Projects Private Limited ("Taxus"). From the total consideration payable by Taxus, Rs.60.07 million is still outstanding as on March 31, 2021. The said amount is secured against, (1) Post Dated Cheques, (2) Pledge of Shares from Promoters of Taxus, (3) Personal Guarantee from Promoters of Taxus and (4) Demand Promissory Note.

Further vide Debenture Subscritpion Agreement dated October 16, 2012, the holding company has invested Rs.100 million through compulsory convertible debentures mandatorily convertible into equity shares within a period of 65 months from the date of allotment. The Holding Company exercised its option of converting debentures into equity shares on completion of period, but Taxus did not comply with the same. On application of the Holding Company, the court appointed sole arbitrator on May 2, 2018. The holding company vide its Arbitration Petition dated June 11, 2018 initiated Arbitration Proceedings inter alia for recovery of the trade receivable as well as the debenture amounts. The matter was heard after arguments of both the sides and Arbitrator reserved the matter for passing award as on date. In view of the management, award would be in favour of the Company.

Note 49 c :

Summarised financial information of Group's Subsidiary having non controlling interest :

Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)

(₹ in Millions)

Waa Cables Private Limited (Subsidiary upto 16th December,2020)	Purchases	0.15	
% of NCI	**45.72%**	**47.74%**	
Balance at beginning of the year	416.77	-	-
On Acquisition	(4.75)	443.66	-
Share of profit/(loss) for the year	(9.91)	(26.89)	-
Foreign currency translation reserve	-	-	-
Balance at end of the year	**402.11**	**416.77**	**0.00**

Waaree Energies Limited
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Notes to Restated Consolidated Financial Information - Other Information

Note 49 d :-The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

1. Shalibhadra Energies Private Limited

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	-	-	3.87
Current assets	-	-	4.96
Non-current liabilities	-	-	9.20
Current liabilities	-	-	9.09

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue	-	-	1.84
Loss for the year (after Tax)	-	-	-6.85
Other comprehensive income / (loss) for the year	-	-	-
Total comprehensive loss for the year	-	-	-6.85

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2020
Net assets of the associate	-	-	(9.47)
Proportion of the Group's ownership interest	-	-	(2.37)
Share of loss of Associate adjusted (restricted to Group's investment)	-	-	(0.03)
Carrying amount of the Group's interest	-	-	-

2. Waasang Solar Private Limited (from 18th July, 18 to 13th May 2019

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2020
Non-current assets	-	-	0.35
Current assets	-	-	7.03
Non-current liabilities	-	-	-
Current liabilities	-	-	7.30

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue	-	-	-
Loss for the year	-	-	(0.01)
Other comprehensive income / (loss) for the year	-	-	-
Total comprehensive loss for the year	-	-	(0.01)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Net assets of the associate	-	-	0.09
Proportion of the Group's ownership interest	-	-	0.02
Share of loss of Associate adjusted (restricted to Group's investment)	-	-	(0.00)
Waa Cables Private Limited (Subsidiary upto 16th December,2020)	Purchases	0.15	

3. Waasang Solar One Private Limited (From 30 Aug 2018 to 13th may 2019

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2020
Non-current assets	-	-	0.18
Current assets	-	-	2.46
Non-current liabilities	-	-	-
Current liabilities	-	-	2.56

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2020
Revenue	-	-	-
Loss for the year	-	-	(0.01)
Other comprehensive income / (loss) for the year	-	-	-
Total comprehensive loss for the year	-	-	(0.01)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2020
Net assets of the associate	-	-	0.09
Proportion of the Group's ownership interest	-	-	0.04
Share of loss of Associate adjusted (restricted to Group's investment)	-	-	(0.00)
Carrying amount of the Group's interest	-	-	0.04

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Note 49 e :- Note on Service concession arrangement

	Haet Energies (Solar Power Plant, Bid Pipliya)	INDRAPRASTHA POWER GENERATION CO. LTD	NASHIK SMART CITY
Parties	M/s Haet Energies MP Power Management Company Limited West Discom Central Discom	1) Waaree Energies Limited 2) Ramesh Nagar -SBV (Indraprastha Power Generation company Ltd) Government Organisation.	1. Nashik Mumnicipal Corporation 2. Waasang Solar One Private Limited
Period	25 Years	25 Years	25 Years
Commission Date	7th October 2014	22nd January 2019	5th January 2019
Tariff	As mutually Agreed between the Company and Third Party with written Intimation to MPPMCL and Commission	As mutually Agreed between the Company and Indraprastha Power Generation Co. Ltd - A govt og NCT of Delhi Undertking	As mutually agreed between Nashik Mumnicipal Corporation & Waasang Solar One Private Limited
Option to purchase			
Free power	Not Applicable	Not Applicable	Not Applicable

Obligation for overhaul:
Operation & Maintenance of Solar Photovoltaic Power Plant would include wear, tear, overhauling, machine breakdown, insurance, and replacement of defective modules, invertors/ Power Conditioning Unit (PCU), spares, consumables & other parts.

Renewal /Termination options: NA
Operation & Maintenance of Rooftop Solar PV system for 25 years.

Classification of service concession arrangement in the Consolidated Financial Statements:

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Gross Carrying Amt	7,59,76,653	5,86,19,483	4,25,75,650
Net Carrying Amt	6,46,84,549	4,99,06,704	3,62,23,325

Note 50 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Millions)

Financial asset and liabilities as at 31st March 2021	**Valuation techniques**	**Non Current**	**Current**	**Total**	**Routed through Profit & Loss**				**Routed through OCI**				**Carried at Amortised**	**Total Amount**
					Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**		
Financial assets														
Investments in Preference Share	Refer Note 1 below	720.00	-	720.00	-	720.00	-	720.00	-	-	-	-	720.00	720.00
Investment in Mutual Fund	Refer Note 3 below	-	334.44	-	-	334.44	-	334.44	-	-	-	-	-	334.44
Trade receivables		51.66	1,167.24	1,218.90	-	-	-	-	-	-	-	-	1,218.90	1,218.90
Security deposits		48.44	-	48.44	-	-	-	-	-	-	-	-	48.44	48.44
Derivative asset			-											
Other financial assets		345.00	252.46	597.46	-	-	-	-	-	-	-	-	597.46	597.46
Cash and cash equivalents		-	128.66	128.66	-	-	-	-	-	-	-	-	128.66	128.66
Bank balances other than cash and cash equivalents		-	973.88	973.88	-	-	-	-	-	-	-	-	973.88	973.88
Loans		-	479.25	479.25	-	-	-	-	-	-	-	-	479.25	479.25
Total Financial Assets		**1,165.10**	**3,335.94**	**4,166.60**	**-**	**1,054.44**	**-**	**1,054.44**	**-**	**-**	**-**	**-**	**4,166.60**	**4,501.04**
Financial liabilities														
Borrowings*		2,348.39	547.32	2,895.71	-	-	-	-	-	-	-	-	2,895.71	2,895.71
Lease liabilities		443.70	59.57	503.27	-	-	-	-	-	-	-	-	503.27	503.27
Trade payables		-	4,372.11	4,372.11	-	-	-	-	-	-	-	-	4,372.11	4,372.11
Other financial liabilities		-	85.91	85.91	-	-	-	-	-	-	-	-	85.91	85.91
Total Financial Liabilities		**2,792.09**	**5,064.91**	**7,857.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,857.00**	**7,857.00**

* includes Current Maturities of Long term Borrowings

Refer Note specified below para 42 (a) with respect to Investments in Compulsory Convertible Debenture - Taxus Infrastructure and Power Projects Private Limited

(₹ in Millions)

Financial asset and liabilities as at 31st March 2020	Valuation technique	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost	Total Amount
					Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial assets														
Investments in Preference Share	Refer Note 1 below	720.00	-	720.00	-	720.00	-	720.00	-	-	-	-	720.00	720.00
Investment in Mutual Fund	Refer Note 3 below	-	34.56	-		34.56	-	34.56	-	-	-	-	-	34.56
Trade receivables		57.89	1,402.42	1,460.32	-	-	-	-	-	-	-	-	1,460.32	1,460.32
Security deposits		31.91	-	31.91	-	-	-	-	-	-	-	-	31.91	31.91
Derivative asset	Refer Note 2 below		6.61			6.61		6.61	-	-	-	-	-	6.61
Other financial assets		358.17	399.50	757.68	-	-	-	-	-	-	-	-	757.68	757.68
Waa Cables Private Limited (Subsidiary upto 16th December,2020)	Purchases	0.15	339.46	223.09	-	-	-	-	-	-	-	-	223.09	223.09
Bank balances other than cash and cash equivalents		-	447.51	447.51	-	-	-	-	-	-	-	-	447.51	447.51
Loans		-	571.50	571.50	-	-	-	-	-	-	-	-	571.50	571.50
Total Financial Assets		**1,168.13**	**3,201.56**	**4,211.99**	**-**	**761.17**	**-**	**761.17**	**-**	**-**	**-**	**-**	**4,211.99**	**4,253.16**
Financial liabilities														
Borrowings*		1,051.20	204.42	1,255.62	-	-	-	-	-	-	-	-	1,255.62	1,255.62
Lease liabilities		274.01	41.09	315.10	-	-	-	-	-	-	-	-	315.10	315.10
Trade payables		-	2,999.74	2,999.74	-	-	-	-	-	-	-	-	2,999.74	2,999.74
Other financial liabilities		-	73.58	73.58	-	-	-	-	-	-	-	-	73.58	73.58
Total Financial Liabilities		**987.20**	**3,640.89**	**4,628.09**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,628.09**	**4,628.09**

* includes Current Maturities of Long term Borrowings

Refer Note specified below para 42 (a) with respect to Investments in Compulsory Convertible Debenture - Taxus Infrastructure and Power Projects Private Limited

(₹ in Millions)

Financial asset and liabilities as at 31st March 2019	Valuation Technique	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost	Total Amount
					Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial assets														
Investments in Preference Share	Refer Note 1 below	720.00	-	720.00	-	720.00	-	720.00	-	-	-	-	720.00	720.00
Investment in associates		0.07		0.07	-	-	-	-	-	-	-	-	0.07	0.07
Trade receivables		126.50	2,151.50	2,278.00	-	-	-	-	-	-	-	-	2,278.00	2,278.00
Security deposits		31.54	-	31.54	-	-	-	-	-	-	-	-	31.54	31.54
Derivative asset	Refer Note 2 below		2.42	2.42		2.42		2.42					-	2.42
Other financial assets		113.36	214.00	327.35	-	-	-	-	-	-	-	-	327.35	327.35
Cash and cash equivalents		-	223.09	223.09	-	-	-	-	-	-	-	-	223.09	223.09
Bank balances other than cash and cash equivalents		-	971.59	971.59	-	-	-	-	-	-	-	-	971.59	971.59
Loans		-	643.99	643.99	-	-	-	-	-	-	-	-	643.99	643.99
Total Financial Assets		**1,086.20**	**4,212.74**	**5,298.94**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,298.94**	**5,298.94**
Financial liabilities														
Borrowings*		1,054.86	15.43	1,070.28									1,070.28	1,070.28
Lease Liability		313.99	36.59	350.58									350.58	350.58
Trade payables		-	3,077.92	3,077.92	-	-	-	-	-	-	-	-	3,077.92	3,077.92
Other financial liabilities		-	188.87	188.87									188.87	188.87
Total Financial Liabilities		**658.32**	**3,678.76**	**4,337.08**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,337.08**	**4,337.08**

* includes Current Maturities of Long term Borrowings

Refer Note specified below para 42 (a) with respect to Investments in Compulsory Convertible Debenture - Taxus Infrastructure and Power Projects Private Limited

The fair value of the financial assets and 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. The management assessed that fair value of cash and cash equivalents, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note :-

1:- Discounted cashflow - Future cashflow are based on terms of preference share discounted at a rate that reflects market risks

2:- Inputs other than quoted prices included within level 1 that are observable for assets or liability, either directly (i.e as prices) or indirectly (derived from prices)

3:- The Mutual funds are valued using the closing NAV

Note 50 : Financial instruments – Fair values and risk management (continued)

B. Financial Risk Management

B.i. Risk management framework
The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

B.ii. Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances.The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

The management do not expect any credit risk for the matter refered to in Note 49 B as the receivable amounting to Rs. 60.01 Million are secured and in respect to investment amounting to Rs. 100 million, in view of the management award would be in favour of the Company. The compay has not provided for any expected credit loss for the same.

Ageing of Trade receivables : (₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Not Due	55.90	71.47	872.63
0 - 6 months	385.96	335.12	1,240.03
6 - 12 months	19.05	268.88	92.68
Beyond 12 months	757.99	784.84	72.66
Total	**1,218.90**	**1,460.31**	**2,278.00**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

The movement of the allowance for lifetime expected credit loss is stated below:

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Opening provision	48.00	39.48	38.02
Add : Additional provision made	17.27	8.52	1.46
Less : Provision reversed	-	-	-
Closing provisions	**65.28**	**48.00**	**39.48**

Waaree Energies Limited
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Note 50 : Financial instruments – Fair values and risk management (continued)

B.iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Group through effective fund management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

(₹ in Millions)

Maturity Analysis of Significant Financial Liabilities

As at March 31, 2021	Total	< 1 year	1 to 5 year	> 5 year
Non-Current Borrowings	2,348.38	377.09	1,971.29	-
Borrowings	547.32	547.32		-
Lease liabilities	503.27	59.57	293.60	0.15
Trade payables	4,372.11	4,372.11		-
Other current financial liabilities	463.01	463.01		-

(₹ in Millions)

As at March 31, 2021	Total	< 1 year	1 to 5 year	> 5 year
Trade receivables	1,218.90	1,167.24	51.66	-
Loans	527.69	479.25	48.44	-
Other financial assets*	597.46	252.46	342.63	2.37
Cash and cash equivalents	128.66	128.66	-	-
Bank balances other than cash and cash equivalents*	973.88	973.88	-	-

* For pledge information refer note 13

(₹ in Millions)

As at March 31, 2020	Total	< 1 year	1 to 5 year	> 5 year
Non-Current Borrowings	1,051.20	338.00	713.19	-
Borrowings	204.42	204.42	-	-
Lease liabilities	315.10	41.23	182.17	223.40
Trade payables	2,999.74	2,999.74	-	-
Other current financial liabilities	411.58	411.58	-	-

(₹ in Millions)

As at March 31, 2020	Total	< 1 year	1 to 5 year	> 5 year
Trade receivables	1,460.32	57.89	1,402.42	
Loans	603.41	31.91	571.50	
Other financial assets*	764.28	358.17	403.74	2.37
Cash and cash equivalents	339.46	339.46	-	
Bank balances other than cash and cash equivalents*	447.51	447.51	-	
* For pledge information refer note 13				
Waa Cables Private Limited (Subsidiary upto 16th December,2020)	Purchases	0		

(₹ in Millions)

As at March 31, 2019	Total	< 1 year	1 to 5 year	> 5 year
Non-Current Borrowings	1,065.58	396.54	658.34	-
Borrowings	15.43	15.43	-	-
Lease Liability	350.58	36.59	170.37	206.96
Trade payables	3,077.92	3,077.92	-	-
Other current financial liabilities	585.41	585.41	-	-

(₹ in Millions)

As at March 31, 2019	Total	< 1 year	1 to 5 year	> 5 year
Trade receivables	2,278.00	126.50	2,151.50	
Loans	675.53	31.54	643.99	
Other financial assets*	329.77	113.36	216.41	
Cash and cash equivalents	223.09	223.09	-	
Bank balances other than cash and cash equivalents*	971.59	971.59	-	

* For pledge information refer note 13

B.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Note 50 : Financial instruments – Fair values and risk management (continued)

B.iv.a Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and European dollars. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March, 2021, 31st March, 2020 and 31st March, 2019 are as below:

As at 31st March, 2021	₹ in Millions	EURO in million	₹ in Millions	USD is million	₹ in Millions	RMB in million
Financial assets						
Trade receivables	-	-	149.31	2.04	-	-
Cash and cash equivalents	0.00	0.00	0.01	0.00	-	-
Net exposure for assets	**0.00**	**0.00**	**149.32**	**2.04**	**-**	**-**
Financial liabilities						
Trade Payables	-	-	1,762.07	24.12	-	-
Net exposure for liabilities	**-**	**-**	**1,762.07**	**24.12**	**-**	**-**
Net exposure (Assets - Liabilities)	**0.00**	**0.00**	**(1,612.75)**	**(22.08)**	**-**	**-**

As at 31st March , 2020	₹ in Millions	EURO in million	₹ in Millions	USD is million	₹ in Millions	RMB in million
Financial assets						
Trade receivables	-	-	12.92	0.17	-	-
Cash and cash equivalents	0.00	0.00	51.26	0.68	-	-
Net exposure for assets	**0.00**	**0.00**	**64.18**	**0.85**	**-**	**-**
Financial liabilities						
Trade Payables	2.47	0.03	1,948.58	25.85	9.60	0.90
Net exposure for liabilities	**2.47**	**0.03**	**1,948.58**	**25.85**	**9.60**	**0.90**
Net exposure (Assets - Liabilities)	**(2.47)**	**(0.03)**	**(1,884.40)**	**(25.00)**	**(9.60)**	**(0.90)**

As at 31st March, 2019	₹ in Millions	EURO in million	₹ in Millions	USD is million	₹ in Millions	RMB in million
Financial assets						
Trade receivables	0.53	0.01	292.79	4.23	-	-
Loans	-	-	3.46	0.05	-	-
Cash and cash equivalents	0.00	0.00	0.00	0.00	-	-
Net exposure for assets	**0.53**	**0.01**	**296.25**	**4.28**	**-**	**-**
Financial liabilities						
Short Term Borrowings	-	-	4.18	0.06	-	-
Trade Payables	2.13	0.03	1,190.06	17.20	9.32	0.90
Other current liabilities	-	-	0.06	0.00	-	-
Net exposure for liabilities	**2.13**	**0.03**	**1,194.30**	**17.27**	**9.32**	**0.90**
Net exposure (Assets - Liabilities)	**(1.60)**	**(0.02)**	**(898.05)**	**(12.98)**	**(9.32)**	**(0.90)**

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and European dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

Effect in INR (before tax)	Profit or (loss) and Equity Strengthening	Profit or (loss) and Equity Weakening
For the year ended 31st March, 2021		
1% movement		
USD	16.13	(16.13)
EUR	(0.00)	0.00
RMB	-	-
	16.13	**(16.13)**

Effect in INR (before tax)	Profit or (loss) and Equity Strengthening	Profit or (loss) and Equity Weakening
For the year ended 31st March, 2020		
1% movement		
USD	18.84	(18.84)
EUR	0.02	(0.02)
RMB	0.10	(0.10)
	18.96	**(18.96)**

Effect in INR (before tax)	Profit or (loss) and Equity Strengthening	Profit or (loss) and Equity Weakening
For the year ended 31st March, 2019		
1% movement		
USD	8.98	(8.98)
EUR	0.02	(0.02)
RMB	0.09	(0.09)
	9.09	**(9.09)**

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for this contracts is generally a bank. This derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs thar are directly or indirectly observable in the market place.

The details in respect of outstanding foreign currency forward and option contracts are as follows

Particulars	As at 31st March, 2021			As at 31st March, 2020			As at 31st March, 2019		
	No. of Contracts	USD	₹ in Millions	No. of Contracts	USD	₹ in Millions	No. of Contracts	USD	₹ in Millions
Forward contracts through Banks - Import		2.72	198.40	7.00	11.14	839.80	7.00	9.00	622.54
Forward contracts through Banks - Export	6.0	4.31	314.81	-	-	-		-	-
Option Contracts through Exchange - Import		3.50	255.64	-	-	-	-	-	-
Option Contracts through Exchange - Export	8.0	3.00	219.12	7.00	6.00	452.32	4.00	4.50	311.27
		13.53	**987.98**		**17.14**	**1,292.12**		**13.50**	**933.81**

Note 50 : Financial instruments – Fair values and risk management (continued)

B.iv.b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows.

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Total Variable Borrowings	1,683.62	610.12	508.06
Unamortised transaction cost	(2.77)	(4.52)	-
Net Variable borrowing	1,680.85	605.60	508.06
Total Borrowing Fixed	1,222.07	651.56	572.94
Unamortised transaction cost	(7.22)	(1.54)	-
Net Fixed Borrowing	1,214.85	650.02	572.94
Total Borrowing	**2,895.70**	**1,255.62**	**1,081.00**

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	**Profit or loss**	
INR	**50 bp increase**	**50 bp decrease**
March 31, 2021		
Variable-rate loan instruments	(8.40)	8.40
Cash flow sensitivity (net)	**(8.40)**	**8.40**
March 31, 2020		
Variable-rate loan instruments	(3.03)	3.03
Cash flow sensitivity (net)	**(3.03)**	**3.03**
March 31, 2019		
Variable-rate loan instruments	(2.54)	2.54
Cash flow sensitivity (net)	**(2.54)**	**2.54**

B.iv.c Other price risk

The Group invests its surplus funds in various Equity and debt instruments . These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

Note 51 : Capital Management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

(₹ in Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Total debts	2,905.69	1,261.67	1,081.00
Total equity	3,851.97	3,396.94	2,567.85
Total debts to equity ratio (Gearing ratio)	**0.75**	**0.37**	**0.42**

Note : For the purpose of computing debt to equity ratio, equity includes equity share capital and other equity and debt includes long term borrowings, short term borrowings and current maturities of long term borrowings.

Waaree Energies Limited
Annexure VI
Notes to Restated Consolidated Financial Information - Other Information

Note 52 : Additional Information, as required under Division II Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associate as at 31st March 2021, 31st March 2020 & 31st March 2019

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Millions)	As % of consolidated profit & loss	(₹ in Millions)	As % of consolidated profit & loss	(₹ in Millions)	As % of consolidated profit & loss	(₹ in Millions)
For the year ended 31st March ,2021								
Parent								
Waaree Energy Limited	54.17%	2,086.61	92.79%	456.59	76.00%	1.07	92.74%	457.66
Subsidiaries								
Indian								
Blue Rays Solar Private Limited	10.90%	419.71	6.18%	30.39	0.00%	-	6.16%	30.39
Waa Cables Private Limited (Upto 17th December 2020)	0.00%	-	1.82%	8.97	0.00%	-	1.82%	8.97
Saswata Solar Private Limited	19.14%	737.13	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Waaneep Solar One Private Limited	0.00%	(0.02)	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	5.44%	209.68	-2.82%	(13.90)	44.22%	0.62	-2.69%	(13.28)
Sangam Solar One Private Limited	0.00%	0.10	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Sangam Solar Two Private Limited	0.00%	0.09	0.00%	-	0.00%	-	0.00%	-
Sangam Solar Three Private Limited	0.00%	0.08	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Sangam Solar Four Private Limited	0.00%	0.09	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Waaree Power Private Limited	-0.09%	(3.62)	-0.02%	(0.08)	0.00%	-	-0.02%	(0.08)
Foreign			0.00%					
Rasila International Pte Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Net Total		**3,449.85**		**481.89**		**1.68**		**483.58**
Minority Interest in all subsidiaries	10.44%	402.11	2.07%	10.20	-20.22%	(0.28)	2.01%	9.91
Total	**100.00%**	**3,851.96**	**100.00%**	**492.09**	**100.00%**	**1.40**	**100.00%**	**493.49**

For the year ended 31st March,2020								
Parent								
Waaree Energy Limited	48.53%	1,576.63	106.97%	441.95	100.00%	(4.10)	107.04%	437.85
Subsidiaries								
Indian								
Blue Rays Solar Private Limited	12.04%	390.99	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
Waaree Solar Energy Private Limited	-0.30%	(9.69)	-0.49%	(2.04)	0.00%	-	-0.50%	(2.04)
Saswata Solar LLP	22.72%	738.19	0.00%	0.00	0.00%	-	0.00%	0.00
Waaneep Solar One Pvt. Ltd.	0.00%	0.01	-0.01%	(0.05)	0.00%	-	-0.01%	(0.05)
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)	4.27%	138.87	-12.99%	(53.68)	0.00%	-	-13.12%	(53.68)
Sangam Solar One Private Limited	0.00%	0.10	0.00%	-	0.00%	-	0.00%	-
Sangam Solar Two Private Limited	0.00%	0.10	0.00%	-	0.00%	-	0.00%	-
Sangam Solar Three Private Limited	0.00%	0.10	0.00%	-	0.00%	-	0.00%	-
Sangam Solar Four Private Limited	0.00%	0.10	0.00%	-	0.00%	-	0.00%	-
Waaree Power Private Limited	-0.11%	(3.52)	-1.18%	(4.86)	0.00%	-	-1.19%	(4.86)
Foreign						-		
Rasila International Pte Limited	0.00%	0.00	1.20%	4.96	0.00%	-	1.21%	4.96

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Millions)	As % of consolidated profit & loss	(₹ in Millions)	As % of consolidated profit & loss	(₹ in Millions)	As % of consolidated profit & loss	(₹ in Millions)
Net Total		**2,831.88**		**386.25**		**(4.10)**		**382.15**
Minority Interest in all subsidiaries	12.83%	416.77	6.51%	26.89	0.00%	-	6.57%	26.89
Total	**100.00%**	**3,248.65**	**100.00%**	**413.14**	**100.00%**	**(4.10)**	**100.00%**	**409.04**
For the year ended 31st March,2019								
Parent								
Waaree Energy Limited	56.56%	1,454.58	92.41%	738.78	100.00%	4.24	92.45%	743.02
Subsidiaries								
Indian								
Waaneep Solar Private Limited	0.00%	-	11.59%	92.67	0.00%	-	11.53%	92.67
Blue Rays Solar Private Limited	15.20%	391.02	-0.01%	(0.09)	0.00%	-	-0.01%	(0.09)
Waaree Solar Energy Private Limited	-0.32%	(8.35)	-1.22%	(9.74)	0.00%	-	-1.21%	(9.74)
Saswata Solar LLP	28.70%	738.19	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Waaneep Solar One Private Limited	0.02%	0.64	-0.01%	(0.05)	0.00%	-	-0.01%	(0.05)
Foreign	0.00%		0.00%		0.00%		0.00%	
Rasila International Pte Limited	-0.17%	(4.25)	-0.07%	(0.59)	0.00%	-	-0.07%	(0.59)
Waaree Japan KK	0.00%	-	0.23%	1.87	0.00%	-	0.23%	1.87
	0.00%		0.00%					
Net Total		**2,571.83**		**822.82**		**4.24**		**827.06**
Minority Interest in all subsidiaries	0.00%	0.00	-2.92%	(23.35)	0.00%	-	-2.90%	(23.35)
Total	**100.00%**	**2,571.83**	**100.00%**	**799.47**	**100.00%**	**4.24**	**100.00%**	**803.71**

WAAREE ENERGIES LIMITED
Annexure VI
Notes to the Restated Ind As Consolidated Financial Information - Other Information

Note 53 : The list of subsidiaries and associates considered in the Restated Ind As Consolidated summary financial information are as under :

Name of the Enterprise	Country of Incorporation	Principal activity of business	Proportion of Ownership Interest		
			Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Subsidiaries					
Waaneep Solar Private Limited (upto 31st December, 18)*	India	Solar IPP & developer business	-	-	-
Waaree Japan KK (upto June 30, 2018)	Japan	Trading Business	-	-	100.00%
Blue Rays Solar Private Limited*	India	Trading Business	100.00%	100.00%	100.00%
Waa Cables Private Limited (Upto 16th December 2020) (Formely Known as Waaree Solar Energy Private Limited)	India	Trading Business	0.00%	100.00%	100.00%
Rasila International Pte Limited	Singapore	Trading Business	99.99%	99.99%	99.99%
Saswata Solar Private Limited** (Formerly known as Saswata Solar LLP)	India	Trading Business	99.99%	99.99%	99.99%
Waaneep Solar One Private Limited* (from 20th June 2018)	India		100.00%	100.00%	100.00%
Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited) (from 14th May, 19)	India	Solar IPP, developer and EPC business	54.28%	52.26%	-
Waaree Power Private Limited (from 3rd January, 2020)	India	SPV for Solar PV and Cell manufacturing	74.00%	74.00%	-
Sangam Solar One Private Limited (from 4th February, 2020)*	India	Solar IPP and developer business	100.00%	100.00%	-
Sangam Solar Two Private Limited (from 4th February, 2020)*	India	Solar IPP and developer business	100.00%	100.00%	-
Sangam Solar Three Private Limited (from 4th February, 2020)*	India	Solar IPP and developer business	100.00%	100.00%	-
Sangam Solar Four Private Limited (from 4th February, 2020)*	India	Solar IPP and developer business	100.00%	100.00%	-
Step down Subsidiaries through Waaree Renewable Technologies Limited (Formerly known as Sangam Renewables Limited)					
Sangam Rooftop Solar Private Limited (from 14th May, 19)*	India	Solar IPP and developer business	100.00%	100.00%	-
Waasang Solar Private Limited (from 14th May, 19)*	India	Solar IPP and developer business	100.00%	100.00%	-
Waasang Solar One Private Limited (from 14th May, 19)*	India	Solar IPP and developer business	100.00%	100.00%	-
Waacox Energy Private Limited (from 14th May, 19)	India	Solar IPP and developer business	51.00%	51.00%	-
Waaree PV Technologies Private Limited (from 14th May, 19)*	India	Solar IPP and developer business	100.00%	100.00%	-
Associate					
Shalibhadra Energies Private Limited	India	Trading Business	25.00%	25.00%	25.00%
Waasang Solar Private Limited (from 18th July 2018 to 13th May 2019)	India	Solar IPP and developer business	-	-	26.00%
Waasang Solar One Private Limited (upto 13th May 2019)	India	Solar IPP and developer business	-	-	49.00%

Note
* Includes Nominee Shares

** During the year 2020-2021 for corporatisation of Saswata Solar LLP the capital has been reduced from 738.50 Millions to 0.10 Millions by converting the same to loan bearing interest @ 8 % p.a. Subsequently on April 16th 2021, Saswata Solar LLP has been converted to Saswata Solar Private Limited.

Note 54 : **Subsequent Events:** Subsequent to balance sheet date, on July 5, 2021, the Company has divested its 51% stake in Waacox Energy Private Limited to Aditya Birla Renewables Limited pursuant to the Shareholders Agreement dated July 10, 2018. Further on August 11, 2021, the Company has sold its 100% stake in Saswata Solar Private Limited vide the Board resolution dated August 11, 2021. The Company has incorporated a foreign company in USA named Waaree Solar Americas Inc on April 21, 2021.

Note 55 : Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary.

In terms of our report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Reg. No:- 109574W

For and on behalf of the Board
Waaree Energies Limited

Vipul K Choksi
Partner
Membership No. 37606
UDIN : 21037606AAAACS7060

Hitesh C Doshi
Chairman & Managing Director
(DIN 00293668)

Hitesh P Mehta
Director & CFO
(DIN 00207506)

Kirankumar Jain
Company Secretary
ACS-35444

Place :- Mumbai
Date :- September 17, 2021

Place :- Mumbai
Date :- September 17, 2021

Restated Consolidated Statement of Accounting Ratios
(Amount in Rupees Millions except for equity share data or as otherwise stated)

Sr No	Particulars	Note	As at and for the year ended		
			31st March 2021	31st March 2020	31st March 2019
A	**Earning Per Share - Basic & Diluted**	1			
	Restated Profit Attributable to Equity Share holder		492.10	417.10	823.40
	Weighted-average number of equity shares for basic & Diluted EPS		19,71,38,492	19,71,38,492	19,71,38,492
	Nominal Value of Equity Share (Rs)		10	10	10
	Basic & Diluted Earning Per share (Rs)		2.50	2.12	4.18
B	**Return on Net worth**	2			
	Restated Net Profit / (Loss) for the year		492.10	417.10	823.40
	Net worth at the end of the year		3,446.90	2,977.20	2,564.19
	Return on Networth (%)		14.28%	14.01%	32.11%
C	**Net Asset Value per Equity Share**	3			
	Net worth at the end of the year		3,446.90	2,977.20	2,564.19
	Total Number of Equity Shares Outstanding at the end of the year		19,71,38,492	19,71,38,492	19,71,38,492
	Net asset Value per Equity Share (Rs)		17.48	15.10	13.01
D	EBITDA	4	1,254.23	1,177.78	1,653.59
	Total Income		19,933.70	20,213.12	16,127.31
	EBITDA Margin (%)		6.29%	5.83%	10.25%

1 Earning Per share (Basic & Diluted)

$$\frac{\text{Restated Profit / Loss Attributable to Equity Share Holder}}{\text{Weighted Average No. of Equity Shares}}$$

2 Return on Net worth

$$\frac{\text{Profit / Loss after Tax (as restated)}}{\text{Net worth at the end of the periods}}$$

Return on Net Worth: Profit/ (Loss) for the year attributable to equity shareholders of the company divided by Net Worth at the end of the periods

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation;

3 Net asset value per equity share

$$\frac{\text{Net worth at the end of the periods}}{\text{Total number of equity shares outstanding at the end of the periods}}$$

4 EBITDA Margin

$$\frac{\text{EBITDA}}{\text{Total Income}}$$

EBITDA :- Restated EBITDA has been calculated as profit for the year before exceptional items and taxes plus finance cost, depreciation and amortization

Waaree Energies Limited
Annexure VII
Restatement adjustment to Audited Ind As Consolidated Financial Statements

Part A
The summary of results of restatement adjustments made in the audited consolidated financial statements for the respective period / year and its impact on the profit of the Group is as follows

(₹ in Millions)

Particulars	Note	For the year ended		
		31st March 2021	31st March 2020	31st March 2019
(A) Total Comprehensive Income for the year as per audited consolidated financial statements		475.20	418.11	815.52
(B) Adjustment for:-				
(1) Effect on account of application of Ind AS 116		(0.62)	1.00	(12.31)
(2) Prior period error		(1.27)	(0.34)	-
(3) Current Tax		8.84	(16.47)	8.26
(4) Deferred Tax		(0.25)	(12.09)	11.92
		-	-	-
Total adjustments		6.70	(27.90)	7.88
Restated Total Comprehensive Income for the year		481.90	390.21	823.40

Part B
The summary of results of restatement adjustments made in the audited consolidated financial statements for the respective year and its impact on Total Equity of the Group is as follows:

(₹ in Millions)

Particulars	Note	As at		
		31st March 2021	31st March 2020	31st March 2019
(A) Total Equity as per audited consolidated financial statements		1,479.81	1,017.36	608.50
(B) Adjustment for:-				
(1) Effect on account of application of Ind AS 116		-	30.22	(17.73)
(2) Changes in total comprehensive income for the year as stated in part A above		6.70	(27.90)	7.88
(3) Prior period error		-	-	(2.18)
(4) Other miscellaneous items		0.54	1.14	-
(5) Carry forward adjustment in total equity from the immediate previous year		(8.57)	(12.03)	-
Total adjustments		**(1.33)**	**(8.57)**	**(12.03)**
Restated Total Equity		1,478.49	1,008.79	596.47

Notes to the adjustments

1. The Restated Ind AS Consolidated Financial Information do not require any adjustment for auditor qualification as there was no qualification in the underlying audit reports of the respective years that required any corrective adjustments

2. Ind AS 116:

Ind AS 116 - Leases replaced the erstwhile accounting standard on lease accounting Ind AS 17 with effect from 01-April -2019. The change in applicable principles was considered retrospectively from 01-April-2018, in the Restated Ind AS Consolidated Financial Information of the Group to comply with the requirements of ICDR Regulations. However, the retrospective application of Ind AS 116 did not have material impact on Restated Ind AS Consolidated Financial Information

3.In audited consolidated financial statements, tax pertaining to earlier years were accounted based on assessment by Income-tax authorities including other tax related errors. For the purpose of the Restated Consolidated Financial Information, such taxes, interest and errors have been appropriately adjusted in the respective financial year to which they relate.

4. For the purpose of this Restated Consolidated Financial Information, certain errors of previous periods is corrected retrospectively in the periods to which they pertain.

5. Deferred tax impact of the restatement adjustments as explained above is given based on the applicable tax rates.

6 Material Regrouping

Appropriate adjustments have been made in the Restated Ind AS Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings/ disclosures as per the Audited Consolidated Financial Statements of the Group.

OTHER FINANCIAL INFORMATION

Accounting ratios

The accounting ratios derived from Restated Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(in ₹ million, except otherwise stated)

Particulars		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A.	Net worth attributable to equity shareholders	3,446.90	2,977.20	2,564.19
B.	Profit attributable to the equity shareholders	492.10	417.10	823.40
C.	Weighted average number of equity shares outstanding during the year (No.s)	1,971,38,492	1,971,38,492	1,971,38,492
D.	Weighted average number of dilutive potential equity shares outstanding during the year (No.s)	1,971,38,492	1,971,38,492	1,971,38,492
E.	Number of equity shares outstanding at the year-end (No.s)	1,971,38,492	1,971,38,492	1,971,38,492
F.	Accounting Ratios			
	Basic Earnings per share (B/C) (in ₹)	2.50	2.12	4.18
	Diluted Earnings per share (B/D) (in ₹)	2.50	2.12	4.18
	Return on Net worth for Equity shareholders (B/A) (%)	14.28	14.01	32.11
	Net Asset value per share (A/E) (in ₹)	17.48	15.10	13.01
G.	EBITDA	1254.23	1177.78	1653.59
	EBITDA Margin (%)	6.29	5.83	10.25

Notes:

1. The figures disclosed above is based on Restated Financial Statements.

2. The above ratios are calculated as under:

a) Basic and Diluted earnings per share (₹) = Net Profit/(loss) after tax attributable to equity shareholders, as restated divided by Weighted average number of equity share outstanding during the period.

c) Return on net worth (%) = Profit/ (Loss) for the year attributable to equity shareholders of the company divided by Net Worth at the end of the periods.

d) Net asset value per share (₹) = Net worth, as restated, at the end of the period/year divided by Number of equity shares outstanding at the end of the period.

3. "Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

4. EBITDA means Restated profit for the year before exceptional items and taxes plus finance cost, depreciation and amortization.

5. EBITDA Margin = EBITDA divided by Total Income.

Other financial statements

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for Fiscals 2021, 2020 and 2019 (collectively, the "**Audited Financial Statements**") and the special purpose audited consolidated financial statements for Fiscal 2021, are available on our website at www.waaree.com/ipo.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, our Subsidiaries or any entity in which our Shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., *Ind AS 24 - 'Related Party Disclosures*' as at and for the years ended March 31, 2021, March 31, 2020, and March 31, 2019 and as reported in the Restated Consolidated Financial Statements, see "*Restated Consolidated Financial Statements – Notes to Restated Consolidated Financial Statements – Related Party Transactions*" on page 296.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2021, on the basis of our Restated Consolidated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*", "*Restated Consolidated Financial Statements*" and "*Risk Factors*" on pages 322, 235 and 29, respectively.

(in ₹ million, except ratios)

Particulars	Pre-Offer as at March 31, 2021	As adjusted for the proposed Offer*
Borrowings		
Current borrowings	547.32	[●]
Non-current borrowings (including current maturities)	2,348.39	[●]
Borrowings (A)	2,895.71	[●]
Total Equity		
Equity share capital	1,971.38	[●]
Other Equity	1,478.49	[●]
Total Equity (B)	3,449.87	[●]
Debt to equity ratio (A/B)#	0.83	[●]
Non-current Borrowings (including current maturities)/ Total Equity	0.68	**[●]**

* *The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Offer Price.*

\# *Debt to equity ratio has been calculated as total borrowings (including current maturities of long-term debt) divided by total equity (excluding non-controlling interest) (less)/add (deferred tax assets)/deferred tax liability (net).*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Statements on page 235. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2019, 2020 and 2021 included herein is derived from the Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus, which have been derived from our audited consolidated financial statements and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. For further information, see "Restated Consolidated Financial Statements" on page 235.

Unless the context otherwise requires, in this section, references to "we", "us", "the Group" or "our" refers to Waaree Energies Limited on a consolidated basis and references to "the Company" or "our Company" refers to Waaree Energies Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Solar Power Market in India" dated September 2021 (the "**CRISIL Report**") prepared and issued by CRISIL Limited, appointed by us on July 3, 2021 and exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 54. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 16.*

OVERVIEW

Our vision is to provide quality, cost-effective sustainable energy solutions across markets, and aid in reducing carbon foot-print paving way for sustainable energy thereby improving quality of life. We are one of the major players in the solar energy industry in India focused on PV module manufacturing, with an aggregate installed capacity of 2 GW as of March 31, 2021. (*Source: CRISIL Report*) As of August 31, 2021, on the basis of our aggregate installed capacity, we had a market share of 24% out of total enlisted capacity as per the Approved List of Models and Manufacturers (ALMM) for solar PV module manufacturing in India (*Source: CRISIL Report*).

Our PV modules are currently manufactured using both multicrystalline and monocrystalline cell technology. Our portfolio of solar energy products consists of the following PV modules: (i) multicrystalline modules; and (ii) monocrystalline modules, comprising Merlin flexible modules and monocrystalline passivated emitter and rear cell (Mono PERC) modules, which includes bifacial modules (Mono PERC) (framed and unframed), building integrated photo voltaic (BIPV) modules (Mono PERC).

We currently operate three manufacturing facilities comprising four factories in India: at Surat ("**Surat Facility**"), Tumb ("**Tumb Facility**") and Nandigram ("**Nandigram Facility**") in Gujarat, India. We are also in the process of setting up another manufacturing facility at Chikhli ("**Chikhli Facility**") in Gujarat, India where we are implementing our capacity expansion plans for PV modules as well as setting up of facilities for backward integration into solar cell manufacturing. The addition of 3 GW PV module manufacturing capacity to our existing 2 GW capacity, is expected to be operational by the end of Fiscal 2022, and the 4 GW solar cell manufacturing capacity is expected to be operational by the end of Fiscal 2023. We have over the years developed a track record of manufacturing quality and technologically advanced PV modules, involving trained and skilled manpower and work practices focused on innovation, and in-house project management team. We intend to follow an expansion strategy of executing regular capacity additions, as well as continuous upgradation of our manufacturing technology and processes driven by demand with a focus on incorporating Mono PERC and large sized silicon wafers technology as well as other new emerging technologies.

We believe our quality products and internationally recognized manufacturing facilities with ISO certifications enable us to target a marquee customer base. Certain of our manufacturing facilities are ISO 9001:2015, ISO 14001: 2015 and ISO 45001:2018 certified. In addition, our modules are insured by external parties, which requires us to maintain high standards for insurance approval. We have also consistently received a tier-1 PV module maker rating from the Bloomberg New Energy Finance in Fiscal 2018, 2019, 2020 and 2021. We were the first and only Indian PV module manufacturing company to have our laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL). (*Source: CRISIL Report*) We ensure that our manufacturing facilities are regularly audited by reputed quality audit firms. We are also included under the Approved List of Models and Manufacturers (ALMM) list identified by the GoI, which enables us to participate in various government schemes aimed at developing the solar industry in India. We also manufacture Merlin flexible panels for sale to Merlin Solar Technologies.

Our sales and revenue channels include: (i) Direct Sales to Utilities and Enterprises; (ii) Franchisee Sales, which includes module sales through our extensive franchisee network focused on rooftop and MSME customer segments as well as franchisee EPC revenue; (iii) Export Sales, which includes module sales to international customers as well as international EPC revenue; and (iv) Other Revenue from Operations, which includes EPC services for domestic utilities and enterprise customers, O&M services, trading in ancillary products, export incentives, generation of electricity from renewable resources and scrap sale. In Fiscal 2021, our products were sold across India, and we made export sales to 19 international jurisdictions. As of June 30, 2021, we had 388 franchisees in 25 states and two Union Territories across India. In Fiscal 2021, Direct Sales to Utilities and Enterprises, Franchisee Sales, Export Sales and Other revenue from Operations represented 39.97%, 19.91%, 24.63% and 15.49%, respectively, of our total revenue from operations in such periods. We have over the years developed longstanding relationships with a marquee customer base. Some of our key clients or customers in the domestic utility and enterprise segment include ReNew Power, ACME, Hero Solar, Mahindra Susten, Essel Infra, AMP Energy, Sukhbir Agro Energy, Solarworld Energy, Rays Power Infra. We have successfully developed a diverse customer base globally, including customers in the United States, Canada, Italy, Turkey and Vietnam. Key international clients include Central 40 and Novel Energy.

The table below sets forth certain key operational and financial metrics for the periods indicated:

Key Performance Indicators	**As of and for the financial year ended March 31,**		
	2019	**2020**	**2021**
Revenue from operations (₹ million)	15,910.35	19,957.83	19,527.76
• Direct Sales to Utilities and Enterprises(1)	9,713.82	12,844.38	7,805.31
• Franchisee Sales(2)	2,198.41	3,148.83	3,887.60
• Export Sales(3)	2,178.97	2,285.65	4,809.32
• Other Revenue from Operations(4)	1,819.16	1,678.98	3,025.53
Other Income (₹ million)	216.95	255.29	405.94
Total Income (₹ million)	16,127.31	20,213.12	19,933.70
Profit for the Year (₹ million)	823.40	390.21	481.90
EBITDA(5) (₹ million)	1,653.59	1,177.78	1,254.23
EBITDA Margin(6) (%)	10.25%	5.83%	6.29%
Debt to Equity Ratio(7)	0.42	0.42	0.83
Debt to EBITDA Ratio(8)	1.52	0.93	0.43
Return on Average Capital Employed(9) (%)	23.23%	22.71%	18.43%
PAT Margin(10) (%)	5.11%	1.93%	2.42%
ROE(11) (%)	32.07%	14.00%	14.26%
ROCE(12) (%)	33.47%	21.29%	15.49%

(1) Direct Sales to Utilities and Enterprises refers to our sales to utilities and enterprise customers.

(2) Franchisee Sales includes module sales through our franchisee network focused on rooftop and MSME customer segments as well as franchisee EPC revenue.

(3) Export Sales includes module sales to international customers as well as international EPC revenue.

(4) Other Revenue from Operations includes EPC services for domestic utilities and enterprise customers, O&M services, trading in ancillary products, export incentives, generation of electricity from renewable resources and scrap sale.

(5) EBITDA has been calculated as profit for the year before exceptional items and taxes plus finance cost, depreciation and amortization

(6) EBITDA margin has been calculated as EBITDA divided by total income.

(7) Debt to equity ratio has been calculated as total borrowings (including current maturities of long-term debt) divided by total equity (excluding non-controlling interest) (less)/add (deferred tax assets)/deferred tax liability (net).
(8) Debt to EBITDA ratio has been calculated as total borrowings (including current maturities of long-term debt) divided by EBITDA for the relevant fiscal year/ period.
(9) Return on average capital employed has been calculated as profit before exceptional item and tax plus finance costs divided by average of opening and closing capital employed calculated as total equity (excluding non-controlling interest) add non-current liability.
(10) PAT Margin has been calculated as profit for the year/ period divided by total income
(11) Return on equity has been calculated as net income (owners share) divided by total equity (excluding non-controlling interest)
(12) Return on capital employed has been calculated as profit before exceptional item and tax plus finance cost divided by total equity (excluding non-controlling interest) add non-current liability.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Impact of the COVID-19 pandemic

The outbreak of the COVID-19 pandemic and its continuing impact, as well as government measures to reduce the spread of COVID-19 since March 2020, have impacted our operations and ability to sell our products within India as well as export our products to international markets. Due to nationwide lockdowns, our manufacturing operations were shut down for several weeks in April and May 2020. Even when such lockdown restrictions eased, some of our workforce were unavailable due to quarantine and restrictions on.

The operations of our suppliers were also impacted, leading to a shortage of materials and components used in our manufacturing operations. There was a significant increase in cost of materials consumed in Fiscal 2021 as the price of solar cells increased significantly, and cost of other materials, in particular glass and aluminium frames used in our modules, increased manifold as a result of the general increase in commodity prices, thereby affecting our margins. In addition, transportation restrictions and issues affecting common carriers resulted in delays, increased costs and other supply chain disruption. Freight costs of imported materials such as solar cells, as well freight cost for our export sales also increased significantly as a result of these restrictions globally.

Disruptions in the operations of our customers resulted in a reduction in demand for our products, and sale of our products and ability to bid for EPC contracts were adversely impacted. In particular, our utility scale and enterprise customers in India were seriously impacted, leading to decrease in sales to utility and enterprise customers in India in Fiscal 2021. In Fiscal 2021, we therefore strategically focused on increasing our export sales as demand in our international markets was relatively strong compared to that in India, as well as sales through our franchisees focused on rooftop and MSME segment customers. This resulted in an increase in Export Sales and Franchisee Sales in Fiscal 2021, which involve relatively higher margin. The increase in Exports Sales and Franchisee Sales enabled us to offset the decrease in utility and enterprise customers in India.

As a result, despite the adverse impact of the COVID-19 pandemic, our business remained relatively resilient, although we did not achieve the anticipated growth comparable to previous fiscal years. Our restated profit for the year was ₹823.40 million, ₹390.21 million and ₹481.90 million in Fiscal 2019, 2020 and 2021 respectively. Our EBITDA has also decreased from ₹1,653.59 million in Fiscal 2019, to ₹1,177.78 million in Fiscal 2020 and ₹1,254.23 million in Fiscal 2021. While the COVID-19 pandemic is expected to continue to adversely affect economies and financial markets globally, leading to a continued economic downturn, it is not possible to estimate the full impact that COVID-19 will have on our business, as such impact will depend on future developments, which are highly uncertain and cannot be predicted, including the severity and duration of the pandemic, recovery period and future actions taken by governmental authorities that impact our operations and the operations of our customers and suppliers.

Regulatory and policy environment

The regulatory and policy environment in which we operate is evolving and subject to change. Our business is dependent on GoI and state government policies that support renewable energy, particularly solar energy, and enhance the economic feasibility of developing solar energy projects. The GoI and several of state governments in India provide incentives that support the generation and sale of solar energy, and additional legislation is regularly being considered that could enhance the demand for solar energy and obligations to use renewable energy sources. For example, government projects are permitted to procure solar modules of certain quality and specification only from a limited number of select suppliers identified in the Approved List of Models and Manufacturers (ALMM) identified by the MNRE. In addition, regulatory policies in various states in India currently provide a favourable framework for securing attractive returns on capital invested for renewable and solar energy projects. Some of the key incentives that benefit the solar energy industry in India, and consequently our business, include preferential tariffs for solar power assets under long-term PPAs; preferential charges on transmission, wheeling and banking facilities; production linked incentive (PLI) scheme for high-efficiency solar PV modules; tax incentives; and availability of accelerated depreciation for solar power assets. If any of these incentives or policies are adversely amended, eliminated or not extended beyond their current expiration dates, or if funding for these incentives is reduced, or if governmental support of renewable energy development, particularly solar energy, is discontinued or reduced, it could have an adverse effect on the viability of new solar energy projects based on current tariff and cost assumptions. For further information, see "*Key Regulations and Policies in India*" on page 183. Any changes and related uncertainties in application, interpretation or implementation of any new regulations or policies introduced require us to assess its implications on our business operations, obtain additional approvals and licences, and may require us to alter our business strategy, or implement onerous requirements and conditions on our operations. This may result in increased compliance costs as well as divert significant management time and other resources.

Capacity expansion and backward integration plans

We are in the process of expanding our existing manufacturing capacities for PV modules as well as developing capacity for backward integration into solar cells for own use. We intend to set up an additional 3 GW PV module manufacturing capacity expected to be operational by the end of Fiscal 2022. We also intend to streamline our operations and develop our integrated manufacturing facility at Chikhli which will include all our manufacturing facilities at one site. We intend to transfer, in phases, our existing manufacturing facilities to Chikhli. With the commissioning of additional capacities, we expect to achieve further economies of scale. We also expect to realize cost savings through centralized deployment and management of engineering, maintenance, accounting and other support functions.

In order to reduce our dependence on imported solar cells and third-party solar cell suppliers in India, we intend to implement backward integration measures by commencing manufacture of solar cells. This is a significant eligibility criteria to qualify for the benefits under the PLI scheme introduced by the GoI, which requires that our modules are manufactured with domestically manufactured cells and provides a variety of incentives in addition to ensuring we are eligible to supply modules for government schemes that have a mandatory domestic content requirement. We intend to set up solar cell manufacturing capabilities at our Chikhli facility with an aggregate 4 GW solar cell capacity. The solar cell manufacturing units will be added in phases, with 2 GW capacity expected to become operational by the second quarter of Fiscal 2023, and the remaining 2 GW capacity by end of Fiscal 2023. These backward integration measures are expected to result in reduced dependence on third party solar cell suppliers, better management of solar cell inventory, and contribute to higher margins. In addition, our ability to manufacture high quality solar cells in a cost effective manner will allow us to mitigate the impact of the basic customs duty of 25% on imported solar cells proposed to be imposed by the GoI with effect from April 2022.

We are in the process of implementing the following expansion and backward integration projects in parts:

	Existing	**Part 1(a)**	**Part 1(b)**	**Part 2(a)**	**Part 2(b)**	**Total**
Module capacity (GW)	2.00	2.00	1.00	-	-	5.00
Solar cell capacity (GW)	-	-	-	2.00	2.00	4.00
Expected date of commercial operations		Third quarter of Fiscal 2022	Fourth quarter of Fiscal 2022	Second quarter of Fiscal 2023	Fourth quarter of Fiscal 2023	

In addition, we have made an application to IREDA to qualify as a manufacturer for setting up manufacturing facilities for high efficiency modules under the PLI scheme. In the event that such approval is received from IREDA, we intend to set up an additional 2 GW high efficiency module manufacturing facility at Chikhli or another location determined by us (in addition to the capacity expansion plan specified above). Further, if such approval is received, our management may consider future plans relating to our existing 2 GW module manufacturing capacity.

For further information on our proposed expansion plans, see "*Our Business – Proposed Expansion Plans*" and "*Objects of the Offer*" on pages 176 and 98, respectively. Our ability to profitably expand our capacities is dependent on our ability to efficiently manage our corresponding increase in expenditures and achieve timely completion and commissioning of the expanded capacities. As our existing and planned capacity additions come into greater utilization and translate into commercial production in line with increased demand for our products, it will result in an increase in our production volumes.

Capacity utilization

Capacity utilization is affected by our product mix and the demand and supply balance, which in turn affects our gross profit margin. Our ability to maintain our profitability depends on our ability to optimize the product mix to support high-margin products and products with consistent long-term demand; and the demand and supply balance of our products in the principal and target markets. Efficient capacity utilization allows us to spread our fixed costs, resulting in a higher profit margin. Manufacturing levels are affected by the number of lost days due to scheduled and unscheduled plant shutdowns. Our actual production levels and utilization rates may differ from the installed capacities of our manufacturing facilities.

For further information on our historical capacity utilization, see "*Our Business – Capacity and Capacity Utilization*" on page 175. We are therefore in a position to capitalize on our available manufacturing capacities to pursue additional growth with limited capital expenditure.

Cost of materials consumed

Our ability to remain competitive, maintain costs and profitability depend significantly on our ability to source and maintain a stable and sufficient supply of materials and components at acceptable prices. Our major materials requirements include solar cells, glass and aluminium panels. In Fiscal 2019, 2020 and 2021, our cost of materials consumed was ₹10,919.09 million, ₹14,324.36 million and ₹12,619.09 million, respectively, which represented 68.63%, 71.77% and 64.62%, respectively, of our revenue from operations in those periods. We depend on external suppliers for our materials and components required and typically purchase materials and components on a purchase order basis and place such orders with them in advance on the basis of our anticipated requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our materials and component suppliers.

Our supply arrangements are subject to price volatility caused by various factors such as market fluctuations, currency fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic as well as international government policies, and regulatory and trade sanctions. We currently import most of our solar cell requirements from China and other south east Asian markets. Changes in import duties also impact our cost materials consumed and consequently operating margins. For example, the GoI proposes to introduce a basic customs duty on solar cells with effect from April 2022. If we cannot fully offset increases in material prices with increases in the prices for our products, we will experience lower margins.

The COVID-19 pandemic also affected our ability to source materials from certain vendors who were unable to transport materials to us. Cost of such materials also increased significantly as a result of the COVID-19 pandemic related increase in freight costs.

Relationship with key customers

We are dependent on certain key customers for our business. In Fiscal 2019, 2020 and 2021, our top 10 customers across our business (excluding any sales to Promoter Group companies) accounted for 51.61%, 42.62% and 42.78%, respectively, while our largest customer in respective years accounted for 16.95%, 9.23% and 14.07%, respectively, of our total revenue from operations in those periods. We have also recently received two large contracts, each for approximately 1,000 MW, from ReNew Power and another solar energy project developer in India, which are expected to make a significant contribution to our results of operations in Fiscal 2022 and Fiscal 2023. The identity of our 10 largest customers and our largest customer varied between fiscal years. The loss of any one of our key customers or a substantial reduction in orders from such key customers may impact our business prospects and financial performance. Further, our ability to negotiate pricing of our products or payment terms with such key customers is limited.

Growth of our franchisee network

We have a strong franchisee presence across most regions in India, and believe that scaling our franchisee network will further strengthen our deep, localized, pan-India coverage, thereby further increasing market penetration in the rooftop and MSME customer segment and further expand our market share in the rooftop segment. Our ability to grow our franchisee sales, particularly the rooftop and MSME segment business, depends on our relationship with our franchisees, and our ability to further grow our franchisee network. As of June 30, 2021, we had developed a pan India network of 388 franchisees. In Fiscal 2019, 2020 and 2021, Franchisee Sales was ₹2,198.41 million, ₹3,148.83 million and ₹3,887.60 million, respectively and represented 13.82%, 15.78% and 19.91%, respectively, of our revenue from operations in such periods. We believe our early mover advantage in the retail and MSME segment through our franchisee network, together with our strong localized, ground level penetration across India will continue to act as a strategic entry barrier for most of our competitors as well as for Chinese imports in the retail segment. Our franchisees operate as end-to-end product and service providers for the rooftop and MSME segments, deal only with products authorised by us, and are authorised to sell our products under our brand name, to increase the visibility and reach of our products through direct customer interaction and local / regional distribution capabilities of such franchisees.

With the success of our franchisee network, we intend to significantly build out our franchisee network across India. We intend to strategically focus on states with high growth potential for rooftop segment, particularly Delhi, Gujarat, Maharashtra, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu. These states have a high industrial and commercial load, with high distribution company tariffs, in states that have introduced clearly defined regulations for net/gross metering regulations and are regions with higher potential for generating solar energy due to various factors including plant load factor and irradiance. The average rates for rooftop segment are typically higher than sales to utility scale and enterprise customers. Further, high commercial and industrial distribution company tariffs may lead to significant traction in the more cost-effective and environment-friendly commercial and industrial segment.

Increasing export sales

We export our products to various international markets. In Fiscal 2019, 2020 and 2021, Export Sales was ₹2,178.97 million, ₹2,285.65 million and ₹4,809.32 million and represented 13.70%, 11.45% and 24.63% respectively, of our total revenue from operations in those periods. The international markets in which we sell our products are diverse, with varying levels of economic and infrastructure development, adoption of renewable energy sources, and distinct legal, regulatory and tax regimes. We continue to focus on managing our relationship with our existing international customers. We also intend to expand our customer base within international markets we currently export our products to, as well as in additional international markets. We may have limited or no experience in marketing and managing exports of our products to new international markets, which may require considerable management attention and resources for managing our growing business in such markets.

The products we manufacture and export could also be subject to additional duties. For example, in January 2018, the United States imposed higher duties, starting at 30% and declining to 15% over the next four years, on imported solar module panels and cells. Any new action by the relevant authorities imposing anti-dumping or other import duties or similar tariffs will impact our export sales, result in an increase in cost of our products, and consequently impact our margins.

Import restrictions and import duties

A significant part of our materials used in the production of our modules, particularly solar cells, is imported from China and other South East Asian jurisdictions. Any restrictions, either from the GoI or any state or provincial government or governmental authority, or from restrictions imposed by any other applicable authorised bilateral or multilateral organisations, on such imports from China and other jurisdictions in which our principal suppliers are located, may adversely affect our business. In Fiscal 2019, 2020 and 2021, our cost of imported materials was ₹9,961.30 million, ₹13,674.27 million and ₹12,191.48 million, which represented 77.86%, 76.00% and 68.41% of our total purchases in such periods. The GoI had introduced the safeguard duty in July 2018 on import of solar cells which was applicable until July 2021, and this is being replaced with significantly higher basic customs duty of 25% on solar cells, commencing April 1, 2022. The imposition of such high basic customs duty on imported solar cells is expected to impact our cost of materials unless we are able to implement our backward integration plan of producing our own solar cells by such time in a cost-effective manner or procure from other cost-effective and domestic producers of solar cells. In addition, additional duties on equipment we will need to import for our proposed expansion, upgradation and backward integration plans will also impact our ability to successfully implement our critical business strategy.

Competition and industry barriers

As a module manufacturer in India, we compete with other Indian module manufacturers as well as modules from Chinese and south east Asian manufacturers, while in our export sales we compete with a wide range of global module manufacturers. We endeavour to ensure that our products are of high quality through rigorous and internationally benchmarked laboratory testing, and continue to focus on adopting new technology and maintain quality standards of our manufacturing facilities and testing laboratories. Some of our competitors may have greater financial, marketing, personnel and other resources than we do and may be in a position to seek to grow their business more aggressively. Further, certain of our competitors may also grow through corporate reorganisations or alliances with other competitors, which may offset any current competitive advantage we may have over them. Increased competition will likely impact pricing of our products, margins and our market share in India and for export sales from India.

Exchange rate fluctuations

Our business operations, particularly relating to import of materials such solar cells and capital expenses relating to import of equipment, and our export sales, are impacted by exchange rate fluctuations. In Fiscal 2019, 2020 and 2021, expenses in foreign currency were ₹10,190.56 million, ₹13,749.44 million and ₹12,228.05 million and represented 65.87%, 69.99% and 63.44%, respectively, of our total expenses in such periods. For further details, see "*Restated Consolidated Financial Statements – Annexure VI – Note 50: Financial Risk Management*" on page 308. The exchange rate between the Indian Rupee and foreign currencies, primarily the US Dollar, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. We may be required to make provisions for foreign exchange differences in accordance with accounting standards. Our ability to predict future foreign currency fluctuations is limited and due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made. We enter into foreign currency hedging transactions to manage the impact of exchange rate fluctuations and mitigate exchange rate exposures.

PRESENTATION OF FINANCIAL INFORMATION

Our Restated Consolidated Financial Statements have been compiled from our audited consolidated financial statements as at and for the years ended March 31, 2019, 2020 and 2021 prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

Acquisitions and Divestments

The following table sets forth certain information on various acquisitions and divestments since Fiscal 2019 to date:

	Acquisition / Divestment	Transaction effective date	Shareholding Acquired/ divested	Transaction consideration
1.	Waaneep Solar Private Limited	December 31, 2018	Shareholding divested - 100% divested	₹2,331.60 million
2.	Waaree Renewable Technologies Limited	May 15, 2019	Shareholding acquired 52.27%	₹201.26 million
3.	Waaree Renewables Private Limited	March 5, 2021	Since the transaction was on slump sale basis, no share transfer was involved	₹669.04 million*
4.	Waacox Energy Private Limited	July 5, 2021	Shareholding divested - 100% divested	₹416.04 million
5.	Saswata Solar Private Limited	August 11, 2021	Shareholding divested - 100% divested	₹0.10 million

**Constituting ₹20.93 million cash consideration and assumption of liabilities of ₹648.11 million.*

For further details, see "*History and Certain Corporate Matters – Details of material acquisition or divestments in the last 10 years*", "*Restated Consolidated Financial Information – Annexure VI – Note 54*" and "*Our Business*" on pages 192, 315 and 165. Accordingly, our Restated Consolidated Financial Statements in Fiscal 2019 or subsequent financial periods is not comparable to our Restated Consolidated Financial Statements in prior periods included in this Draft Red Herring Prospectus.

As a consequence of the above during such periods, our Restated Consolidated Financial Statements for Fiscal 2019, 2020 and 2021 may not be entirely comparable to each other. For further information, see "*Risk Factors – Our Restated Consolidated Financial Statements for the relevant financial reporting periods are not comparable on account of certain acquisitions and divestments made by our Company in the relevant financial reporting periods. In addition, the impact of such acquisitions and divestments are not fully reflected in our Restated Consolidated Financial Statements, and our Restated Consolidated Financial Statements may not accurately represent our future financial performance.*" on page 49.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Restated Consolidated Financial Statements have been prepared in accordance with the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, we take 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. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

Key Sources of Estimation Uncertainty

In the course of applying the policies outlined above, we are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

Key sources of estimation uncertainty include the following:

Useful lives of property, plant and equipment. Our management reviews the useful lives of property, plant and equipment at least once a year. Such useful lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency, the operating conditions of the asset, anticipated technological changes, historical trend of plant load factor, and historical planned and scheduled maintenance. This reassessment may result in change in depreciation and amortisation expected in future periods. The useful lives of property, plant and equipment are reviewed at least once a year.

Provisions and contingencies. In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes to our financial statements but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. Our management decides whether the matters are to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

Fair value measurements. When the fair values of financial assets or financial liabilities recorded or disclosed in our financial statements cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the Discounted Cash Flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

Income taxes. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilized. The amount of the deferred income tax assets considered realizable, however, could change if estimates of future taxable income changes in the future.

Defined benefit plans. The present value of defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of goodwill. Determining whether goodwill is impaired requires an estimation of the 'value in use' of the cash-generating units to which goodwill has been allocated. In considering the value in use, our management has made assumptions relating to useful lives of the cash generating units, plant availability, and plant load factor, useful life of the asset, additional capacity and capital cost approval from the regulators, expected renewals / extension of power purchase agreement/implementation agreement, input cost escalations operational margins and discount rates. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of the goodwill.

Expected credit loss. The measurement of expected credit loss on financial assets is based on the evaluation of collectability and our management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the loans having regard to, the past collection history of each party and ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

Revenue Recognition

Sale of Goods

We recognise revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. We have generally concluded that we are the principal in our revenue arrangements as we typically control the goods or services before transferring them to the customer. Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties. We recognise revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by us and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered. In revenue arrangements with multiple performance obligations, we account for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

Construction Contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentives payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Sale of Electricity

Revenue from contracts with customers is recognised when control of the goods (power) or services is transferred to the customer at an amount that reflects the consideration to which we expect to be entitled in exchange for transferring promised goods or services having regard to the terms of the Power Purchase Agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable, and contracts for services.

Contract Balances

Contract assets. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If we perform by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

Trade receivables. A receivable is recognised when the goods are delivered and to the extent that we have an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities. A contract liability is the obligation to transfer goods or services to a customer for which we have received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before we transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when we perform under the contract including advances received from the customer.

Refund liabilities. A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount we ultimately expect we will have to return to the customer including volume rebates and discounts. We update our estimates of refund liabilities at the end of each reporting period.

Dividend and Interest Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to us and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to us and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. At each physical verification of inventory carried from time to time, provision for obsolete, slow moving and defective inventory is charged through profit and loss account. Adjustments for deficit and surplus inventory is also provided for at the time of physical verification.

Service Concession arrangements

Revenue. Revenue is measured at the fair value of consideration received or receivable. Revenue from power generation business is accounted on the basis of billings to the power off takers and includes unbilled revenue accrued up to the end of accounting year. Power off takers are billed as per tariff rate, agreed in purchase power agreement. Operating or service revenue is recognised in the period in which services are rendered by us.

Financial assets. We recognise a financial asset arising from a service concession arrangement when we have an unconditional contractual right to receive cash or another financial asset from or at the discretion of the grantor for the construction. Such financial assets are measured at fair value at initial recognition and classification as loans and receivables. Subsequent to initial recognition, the financial asset are measured at amortised cost.

Intangible assets. We recognise an intangible asset arising from a service concession arrangement when it has right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction services in service concession arrangement is measured at cost, less accumulated amortisation and accumulated impairment losses, if any. Internal technical team or user assess the useful lives of intangible asset. Management believes that assigned useful lives of 24 years to 25 years of solar power projects are reasonable.

Determination of fair value. The fair value of intangible assets is determined by contract price paid for construction of solar power project.

Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss. Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. We have elected to continue with the carrying value for all of our property, plant and equipment as recognised in the financial statements on transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Assets	Years
Plant and Machinery	5 to 10 Years

When significant parts of plant and equipment are required to be replaced at intervals, we depreciate them separately based on their specific useful lives. Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit. We review the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of derecognition from the derecognition of investment properties we consider the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any). Fair value as disclosed in notes are determined based on valuations derived by an Independent valuer.

Intangible Assets

Intangible assets with finite and infinite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of Assets	**Years**
Solar Power Plant	25 years
Computer Software	4 years

Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

Leases

We assess at contract inception whether 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.

The Group as a lessee

We apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. We recognise lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

Right-of-use assets

We recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term is as follows:

Class of Assets	**Years**
Factory Premises	3 to 11 Years
Office Premises	10 to 11 Years

Lease liabilities

At the commencement date of the lease, we recognise lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, we use the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases

We apply the short-term lease recognition exemption to our short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

Current and Non-Current Classification

We present assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it satisfies any of the following criteria and all other assets are classified as non-current: (a) it is expected to be realised in, or is intended for sale or consumption in, our normal operating cycle; (b) it is held primarily for the purpose of being traded; (c) it is expected to be realised within 12 months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria: (a) it is expected to be settled in our normal operating cycle; (b) it is held primarily for the purpose of being traded; (c) it is due to be settled within 12 months after the reporting date; or we do not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current only.

Goodwill

Goodwill is initially recognised and measured as set out above. Goodwill is not amortised but is reviewed for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of our cash-generating units or groups of cash-generating units that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Our policy for goodwill arising on the acquisition of an associate is described in consolidation procedure above.

Employee Benefit Expenses

Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Long term employee benefits

Liabilities recognised in respect of long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by us in respect of services provided by employees up to the reporting date. The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Retirement benefit costs and termination benefits. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plans. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state managed retirement benefit plans are accounted for as payments to defined contribution plans where our obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Actuarial valuations are being carried out at the end of each annual reporting period for defined benefit plans.

The retirement benefit obligation recognised in the consolidated balance sheet represents the deficit or surplus in our defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. We pay gratuity to the employees whoever has completed five years of service with us at the time of resignation/ superannuation. The gratuity is paid at 15 days salary for each completed year of service as per the Payment of Gratuity Act, 1972.

Government Grant

Government grants are not recognised until there is reasonable assurance that we will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the years in which we recognise as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Foreign Currency

Our functional currency is determined on the basis of the primary economic environment in which we operate. Our functional currency is Indian National Rupee (₹).

The transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Provisions

Provisions are recognised when we have a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities 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 at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

Financial assets

Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which we become a party to the contractual provisions of the instrument.

Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, we recognise interest income, impairment losses and reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, we may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. We make such election on an instrument-by -instrument basis. The classification is made on initial recognition and is irrevocable. If we decide to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, we may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss. All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, we may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when: (a) our right to receive the dividends is established; (b) it is probable that the economic benefits associated with the dividends will flow to the entity; (c) the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably; (d) derecognition of financial assets – we derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or when we transfer the financial asset and substantially all the risks and rewards of ownership of the asset to another party; (e) impairment.

We apply the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to us in accordance with the contract and all the cash flows that we expect to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). We estimate cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. We measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, we measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months. If we measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, we again measure the loss allowance based on 12-month expected credit losses. When making the assessment of whether there has been a significant increase in credit risk since initial recognition, we use the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, we compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, we always measure the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, we have used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet. We have performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, We expect to recover the carrying amount of these assets.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the consolidated statement of profit and loss and is included in the 'Other income' line item.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by us are recognised at the proceeds received, net of direct issue costs. Repurchase of our own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of our own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if:

(i) It has been incurred principally for the purpose of repurchasing it in the near term; or

(ii) on initial recognition it is part of a portfolio of identified financial instruments that we manage together and has a recent actual pattern of short-term profit-taking; or

(iii) it is a derivative that is not designated and effective as a hedging instrument. A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

(iv) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

(v) the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with our documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

(vi) it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Consolidated Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. We derecognise financial liabilities when, and only when, our obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Other financial liabilities

We enter into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by us at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by us on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Impairment of Non-Financial Asset

At the end of each reporting year, we review the carrying amounts of our tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax. Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an deferred tax asset if there is convincing evidence that we will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to us. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year. Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by us, liabilities incurred by us to the former owners of the acquiree and the equity interests issued by us in exchange for control of the acquiree. Acquisition related costs are recognised in Consolidated Statement of Profit and Loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that: (i) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively; (ii) liabilities or equity instruments related to our share based payment arrangements of the acquiree or share-based payment arrangements entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and (iii) assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase. When the consideration transferred by us in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill/capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss. When a business combination is achieved in stages, our previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when we obtain control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of. Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprise (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprise (i) revenue from sale of solar power products, which primarily includes (a) sale of our solar PV modules, and (b) certain sales from EPC contracts, comprising sale of PV modules for EPC projects, designing and engineering services, construction services, equipment for construction, and certain traded products for balance of supply work including cables, structure, transformers and inverters; (ii) sale of services, primarily relating to O&M services and ancillary services provided on our EPC projects; (iii) generation of electricity from renewable sources; and (iv) other operating revenue including export incentives, revenue from sale of scrap and franchisee fees.

Other Income

Other income includes (i) interest income; (ii) interest received on financial assets carried at amortised cost; (iii) government grant; (iv) profit on foreign exchange fluctuation (net); (v) profit on sale of property, plant and equipment; (vi) profit on sale of current investment; (vii) gain on change in fair value and investment; (viii) fair value gain on financial assets measured at fair value to profit or loss; and (ix) miscellaneous receipts.

Expenses

Our expenses comprise (i) cost of materials consumed, primarily relating to cost of solar cells and other materials used in the manufacture of our modules; (ii) purchases of stock-in-trade; (iii) changes in inventories of finished goods, stock-in-trade and work-in-progress; (iv) other manufacturing and EPC project expenses; (v) employee benefits expense; (vi) sales, administration and other expenses; (vii) finance costs and (viii) depreciation and amortisation expenses.

Costs of Materials Consumed

Cost of material consumed consists of materials used in the manufacture of PV modules and EPC projects, primarily solar cells, glass, encapsulant, backsheets, junction box, cables, inverter, structure, transformer etc.

Purchases of Stock-in-Trade

Purchases of stock-in-trade comprises goods purchased for trading activity, including modules, solar panels, materials used in manufacture of PV modules. In addition, in March 2021, we completed the business acquisition, on a slump sale basis, of 500 MW module manufacturing capacity from a Promoter Group company, Waaree Renewables Private Limited, which included modules and materials inventory from such entity.

Other Manufacturing and EPC Project Expenses

Other manufacturing and EPC project expenses comprise stores and spares consumed, electricity charges, labour charges, job work changes, repairs and maintenance expenses of machinery and building and EPC project expenses.

Employee Benefits Expense

Employee benefits expense primarily comprises salaries and incentives, directors remuneration, contribution to provident and other funds and staff welfare expenses.

Sales, Administration and Other Expenses

Other expenses include (i) rent; (ii) amortisation of deferred portion of financial asset carried at amortised cost; (iii) insurance; (iv) rates and taxes; (v) legal and professional fees; (vi) auditors remuneration; (vii) travelling and conveyance expenses; (viii) warranty; (ix) business promotion expenses; (x) commission; (xi) packing materials expenses; (xii) transportation, freight, duty and handling charges; (xiii) operation and maintenance expenses; (xiv) bad debts; (xv) provision for expected credit loss; (xvi) provision for impairment of assets; (xvii) capital-work-in-progress written off; (xviii) loss on sale/discard of property, plant or equipment; (xix) corporate social responsibility expense; and (xx) miscellaneous expenses, less other expenses for subsidiaries.

Finance Costs

Finance cost refers to (i) interest expense; (ii) interest expense on lease liability; (iii) interest on income tax liability; and (iv) other borrowing costs, less finance cost for subsidiaries.

Depreciation, Amortisation and Impairment Expenses

Depreciation and amortisation expenses comprise (i) depreciation on property, plant and equipment; (ii) depreciation on lease assets; and (iii) amortisation of intangible assets.

NON-GAAP MEASURES

Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("EBITDA")/ EBITDA Margin

EBITDA presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, EBITDA is not a standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure. Although EBITDA is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.

Reconciliation of EBITDA and EBITDA Margin to profit before share of gain/ (loss) in joint venture and associates, exceptional items and tax

The table below reconciles profit before share of gain/ (loss) in joint venture and associates, exceptional items and tax to EBITDA. EBITDA is calculated as profit before share of gain/ (loss) in joint venture and associates, exceptional items and tax plus share of gain/ (loss) in joint venture and associate company, finance costs and depreciation and amortization expenses less other income, while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

Particulars	**Fiscal**		
	2019	**2020**	**2021**
	(₹ million)		
Restated Profit before exceptional items and tax	655.50	569.39	658.48
Adjustments:			
Add: Finance Costs	590.91	337.06	309.17
Add: Depreciation and Amortization expense	407.18	271.33	286.58
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) (A)	**1,653.59**	**1,177.78**	**1,254.23**
Total Income (B)	**16,127.31**	**20,213.12**	**19,933.70**
EBITDA Margin (EBITDA as a percentage of Total Income) (A/B)	**10.25%**	**5.83%**	**6.29%**

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscal 2019, 2020 and 2021:

Particulars	**Fiscal**					
	2019		**2020**		**2021**	
	(₹ million)	**Percentage of total income**	**(₹ million)**	**Percentage of total income**	**(₹ million)**	**Percentage of total income**
						Income
Revenue from operations	15,910.35	98.65%	19,957.83	98.74%	19,527.76	97.96%
Other income	216.95	1.35%	255.29	1.26%	405.94	2.04%
Total Income (I)	**16,127.31**	**100.00%**	**20,213.12**	**100.00%**	**19,933.70**	**100.00%**
Expenses						
Cost of materials consumed	10,919.09	67.71%	14,324.36	70.87%	12,619.09	63.31%
Purchases of stock-in-trade	1,254.61	7.78%	2,167.99	10.73%	4,226.26	21.20%
Changes in inventories and finished goods, stock-in-trade and work in progress	83.72	0.52%	(195.14)	(0.97)%	(730.82)	(3.67)%
Other manufacturing and EPC project expenses	579.12	3.59%	665.89	3.29%	544.79	2.73%
Employee benefits expense	431.00	2.67%	546.12	2.70%	481.55	2.42%
Sales, administration and other expenses	1,206.17	7.48%	1,526.10	7.55%	1,538.61	7.72%
Finance costs	590.91	3.66%	337.06	1.67%	309.17	1.55%
Depreciation and amortisation expense	407.18	2.52%	271.33	1.34%	286.58	1.44%
Total expenses (II)	**15,471.81**	**95.94%**	**19,643.72**	**97.18%**	**19,275.22**	**96.70%**
Restated profit before exceptional items and tax (I-II)	**655.50**	**4.06%**	**569.39**	2.82%	**658.48**	3.30%
Add: exceptional items	370.51	2.30%	-	0.00%	40.56	0.20%
Share of profit/ (loss) of associate	(0.03)	0.00%	(0.02)	(0.00)%	-	0.00%
Restated profit before tax	**1,025.98**	**6.36%**	**569.37**	**2.82%**	**699.04**	**3.51%**
Tax expenses						
Current tax	168.96	1.05%	190.45	0.94%	201.00	1.01%
Tax for earlier years	-		0.12	0.00%	-	0.00%
Max credit entitlement	-		-	0.00%	(2.65)	(0.01)%
Deferred tax	33.61	0.21%	(11.42)	(0.06)%	18.79	0.09%
Total tax expense	**202.58**	**1.26%**	**179.16**	0.89%	**217.14**	1.09%

Particulars	Fiscal					
	2019		2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Restated profit for the year (III)	**823.40**	**5.11%**	**390.21**	**1.93%**	**481.90**	**2.42%**
Other comprehensive income (IV)						
Items that will not be reclassified to profit or loss						
Gain / (Loss) on fair value of defined benefit plans as per actual valuation	4.04	0.03%	(3.33)	(0.02)%	2.19	0.01%
Fair value changes in derivatives designated as cash flow hedge	2.47	0.02%	(1.61)	(0.01)%	-	0.00%
Income tax effect on above	(2.27)	(0.01)%	0.84	0.00%	(0.51)	(0.00)%
Restated total comprehensive income for the year after tax (III+IV)	**827.63**	**5.13%**	**386.11**	**1.91%**	**483.58**	**2.43%**

FISCAL 2021 COMPARED TO FISCAL 2020

Key developments

Capacity increase in Fiscal 2021

With effect from March 5, 2021, we completed the business acquisition on a slump sale basis of 500 MW PV module manufacturing capacity from Waaree Renewables Private Limited, a Promoter Group company, resulting in an increase in our installed capacity from 1.5 GW to 2 GW. However, since the acquisition took place with effect from March 5, 2021, our results of operations in Fiscal 2021 reflects the impact of the acquisition and the 500 MW capacity addition only for a period of 27 days in Fiscal 2021. Our results of operations prior to and subsequent to such acquisition are not therefore entirely comparable.

Impact of Covid-19

- The outbreak of the COVID-19 pandemic and its continuing impact, as well as government measures to reduce the spread of COVID-19 since March 2020, have impacted our operations and ability to sell our products within India in particular, and to a lesser degree, export of our products to international markets. The global spread of the COVID-19 pandemic has created significant volatility and uncertainty, as well as economic disruption. Our manufacturing operations were entirely shut for several weeks in April and May 2020 as a result of mandatory government lockdowns. Even when such lockdown restrictions eased, some of our workforce were unavailable due to quarantine, fear of being infected or other factors.

- In addition, local, national and international transportation or other infrastructure continued to be impacted during Fiscal 2021, leading to delays or loss of production. We rely on a variety of common carriers to transport our materials and components from our suppliers, and to transport our PV modules to our customers. Problems suffered by these common carriers resulted in delays, increased costs and in certain cases supply chain disruption. Freight costs, particularly freight costs of imported solar cells and other materials and components increased significantly.

- Our suppliers were similarly impacted by the Covid-19 pandemic, leading to a shortage of materials and components used in our manufacturing operations and an inability to meet our manufacturing targets. We experienced significant increase in cost of materials consumed as the price of solar cells increased significantly, while cost of other materials, in particular cost of glass and aluminium frames used in our modules increased manifold during Fiscal 2021 as a result of the general increase in commodity prices. We were not always able to pass on cost of increase in raw materials to our customers.

- Our utility scale and enterprise customers and prospective customers in India also experienced disruptions in their operations including as a result of travel restrictions and/or business shutdowns, uncertainty in the financial markets or other harm to their business. This resulted in a reduction in demand for our products from utility scale and enterprise customers in India. We strategically focused on further growing our export sales and sales through our franchisees to customers in the rooftop and MSME segment. This resulted in an increase in export sales and franchisee sales, which involve relatively higher margin. The increase in exports sales and franchisee sales also enabled us to offset in part the decrease in sale to utility scale and enterprise customers in India.

Income

Total income remained relatively steady at ₹19,933.70 million in Fiscal 2021 compared to ₹20,213.12 million in Fiscal 2020, despite the impact of the COVID-19 pandemic and consequent lockdowns and restrictions imposed in India that impacted an already-slowing Indian economy.

Revenue from Operations

Despite the impact of COVID-19 for most of Fiscal 2021, revenue from operations remained relatively steady at ₹19,527.76 million in Fiscal 2021 compared to ₹19,957.83 million in Fiscal 2020. Sale of solar power products was ₹19,321.67 million in Fiscal 2021 compared to ₹19,722.28 million in Fiscal 2020.

In Fiscal 2021, while sales to utility scale and enterprise customers in India was adversely impacted by the lockdowns and other related logistics restrictions in India, we strategically focused on increasing our exports sales and franchisee sales, which offset the decrease in sales to utility and enterprise customers in India.

Sale of services increased by 33.79% from ₹25.60 million in Fiscal 2020 to ₹34.25 million in Fiscal 2021.

Other operating revenue decreased from ₹185.67 million in Fiscal 2020 to ₹110.01 million in Fiscal 2021, primarily due to a decrease in export incentives from ₹67.17 million in Fiscal 2020 to ₹43.96 million in Fiscal 2021 and franchisee fees from ₹89.48 million in Fiscal 2020 to ₹35.84 million in Fiscal 2021. Franchisee fees relating to one time fees at time of onboarding decreased in Fiscal 2021 as we could not pursue growing our franchisee network at a comparable pace to that in Fiscal 2020, as a result of the COVID-19 pandemic.

Other Income

Other income increased by 59.01% from ₹255.29 million in Fiscal 2020 to ₹405.94 million in Fiscal 2021 primarily due to an increase in interest income by 26.30% from ₹136.95 million in Fiscal 2020 to ₹172.97 million in Fiscal 2021 and an increase in profit on foreign exchange fluctuation (net) by 589.58% from ₹23.14 million in Fiscal 2020 to ₹159.55 million in Fiscal 2021.

Expenses

Total expenses decreased by 1.88% from ₹19,643.72 million in Fiscal 2020 to ₹19,275.22 million in Fiscal 2021, primarily due to a decrease in cost of materials consumed and finance costs.

Cost of Materials Consumed

Cost of materials consumed decreased by 11.90% from ₹14,324.36 million in Fiscal 2020 to ₹12,619.09 million in Fiscal 2021 primarily due to lower production resulting from lockdown restrictions in first and second quarter of Fiscal 2021.

Other Manufacturing and EPC Project Expenses

Other manufacturing and EPC project expenses decreased by 18.19% from ₹665.89 million in Fiscal 2020 to ₹544.79 million in Fiscal 2021 primarily due to a decrease in job work charges from ₹37.21 million in Fiscal 2020 to ₹18.03 million in Fiscal 2021 and a decrease in EPC project expenses from ₹220.59 million in Fiscal 2020 to ₹138.74 million in Fiscal 2021, which was primarily due to a decrease in operating and new EPC projects in Fiscal 2021 resulting from the impact of the COVID-19 pandemic.

Employee Benefit Expenses

Employee benefit expenses decreased by 11.82% from ₹546.12 million in Fiscal 2020 to ₹481.55 million in Fiscal 2021, primarily due to a decrease in salaries and incentives, by 15.07% from ₹463.06 million in Fiscal 2020 to ₹393.27 million in Fiscal 2021, due to certain retrenchment and compensation rationalization measures, as well as reduction in use of contract workers during times of lockdowns and other manufacturing slowdown due various pandemic related factors. This was partially offset by a slight increase in staff welfare expenses from ₹21.03 million in Fiscal 2020 to ₹30.32 million in Fiscal 2021.

Finance Costs

Finance costs decreased by 8.28% from ₹337.06 million in Fiscal 2020 to ₹309.17 million in Fiscal 2021 due to a decrease in interest expenses by 8.36% from ₹245.90 million in Fiscal 2020 to ₹225.34 million in Fiscal 2021. Other borrowing costs also decreased by 8.53% from ₹61.40 million in Fiscal 2020 to ₹56.16 million in Fiscal 2021.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 5.62% from ₹271.33 million in Fiscal 2020 to ₹286.58 million in Fiscal 2021, primarily due to an increase in depreciation of property, plant and equipment by 7.38% from ₹218.20 million in Fiscal 2020 to ₹234.31 million in Fiscal 2021, relating primarily to the business acquisition on a slump sale basis of 500 MW installed capacity from Waaree Renewables Private Limited, a Promoter Group company, in March 2021, and to some extent on addition of fixed assets in our other existing manufacturing facilities.

Sales, Administration and Other Expenses

Sales, administration and other expenses increased by 0.82% from ₹1,526.10 million in Fiscal 2020 to ₹1,538.61 million in Fiscal 2021, resulting from the following:

- Insurance costs increased by 120.08% from ₹25.00 million in Fiscal 2020 to ₹55.03 million in Fiscal 2021 on account of insurance cover on long term warranties on our products sold to certain customers as well as credit insurance coverage against certain of our export sales.

- Transport, freight, duty and handling charges increased by 17.10% from ₹796.26 million in Fiscal 2020 to ₹932.38 million in Fiscal 2021 resulting from an increase in our exports sales, the increase in international freight cost during the COVID-19 pandemic restrictions and offering delivered duty paid Inco-terms for our export sales to Europe.

- Provision for expected credit loss increased by 102.78% from ₹8.52 million in Fiscal 2020 to ₹17.27 million in Fiscal 2021.

- Miscellaneous expenses increased by 19.12% from ₹80.18 million in Fiscal 2020 to ₹95.52 million in Fiscal 2021 primarily on account of input tax credit reversals and increase in other overhead expenses.

These increases were partly offset by the following:

- Travelling and conveyance expenses decreased by 63.78% from ₹50.26 million in Fiscal 2020 to ₹18.21 million in Fiscal 2021 on account of the operating restrictions/ lockdown imposed due to the COVID-19 pandemic.

- Packing material expenses also decreased by 10.25% from ₹195.31 million in Fiscal 2020 to ₹175.29 million in Fiscal 2021 on account of fall in total production and sales in terms of number of units.

- While we had bad debt of ₹44.56 million in Fiscal 2020, we did not have any bad debt in Fiscal 2021.

Profit before exceptional item and tax

For the reasons discussed above, profit before exceptional items and tax was ₹658.48 million in Fiscal 2021 compared to ₹569.39 million in Fiscal 2020.

Exceptional Item

Exceptional items included gain on disposal of investment of ₹40.56 million in Fiscal 2021 relating to sale of shareholding in our Company's subsidiary Waaneep Solar Private Limited, which was sold in December 2018.

Restated Profit Before Tax

For the reasons discussed above, restated profit before tax was ₹699.04 million in Fiscal 2021 compared to ₹569.37 million in Fiscal 2020.

Tax Expenses

Current tax expenses increased from ₹190.45 million in Fiscal 2020 to ₹201.00 million in Fiscal 2021. Deferred tax expenses also increased from ₹(11.42) million in Fiscal 2020 to ₹18.79 million in Fiscal 2021. As a result, total tax expense amounted to ₹217.14 million in Fiscal 2021 compared to ₹179.16 million in Fiscal 2020.

Profit for the Year

For the various reasons discussed above, we recorded a profit for the year of ₹481.90 million in Fiscal 2021 compared to ₹390.21 million in Fiscal 2020.

Total Comprehensive Income for the Year

Total comprehensive income for the year was ₹483.58 million in Fiscal 2021 compared to ₹386.11 million in Fiscal 2020.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹1,254.23 million in Fiscal 2021 compared to EBITDA of ₹1,177.78 million in Fiscal 2020, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 6.29% in Fiscal 2021 compared to 5.83% in Fiscal 2020.

FISCAL 2020 COMPARED TO FISCAL 2019

Key Developments

Capacity increase in Fiscal 2019

We commissioned 1 GW PV module manufacturing capacity at our Tumb facility with effect from August 1, 2018, resulting in increase of total installed capacity from 500 MW to 1.5 GW. Our results of operations in Fiscal 2019 therefore reflects the impact of the expanded capacity and operations only subsequent to August 2018. Our results of operations prior to and subsequent to such acquisition are not therefore entirely comparable.

Income

Total income increased by 25.33% from ₹16,127.31 million in Fiscal 2019 to ₹20,213.12 million in Fiscal 2020.

Revenue from Operations

Revenues from operations increased by 25.44% from ₹15,910.35 million in Fiscal 2019 to ₹19,957.83 million in Fiscal 2020. Sale of solar power products increased by 29.06% from ₹15,281.77 million in Fiscal 2019 to ₹19,722.28 million in Fiscal 2020.

In Fiscal 2020, we experienced a significant increase in sales to utility and enterprise customers in India as well as franchisee sales as we grew our franchisee network aggressively across India. Export sales also remained relatively steady in Fiscal 2020 compared to Fiscal 2019.

Revenue from generation of electricity from renewal sources decreased by 95.49% from ₹538.46 million in Fiscal 2019 to ₹24.28 million in Fiscal 2020 primarily on account of sale of our subsidiary, Waaneep Solar Private Limited, engaged in the business of generation of electricity.

Other operating revenue increased by 234.90% from ₹55.44 million in Fiscal 2019 to ₹185.67 million in Fiscal 2020. While we did not record any export incentives in Fiscal 2019, we recorded ₹67.17 million in export incentives in Fiscal 2020. Franchisee fees increased by 161.71% from ₹34.19 million in Fiscal 2019 to ₹89.48 million in Fiscal 2020 resulting from addition of new franchisees across India.

Other Income

Other income increased by 17.67% from ₹216.95 million in Fiscal 2019 to ₹255.29 million in Fiscal 2020, primarily due to an increase in interest income by 34.06% from ₹102.16 million in Fiscal 2019 to ₹136.95 million in Fiscal 2020, and government grant by 105.82% from ₹35.41 million in Fiscal 2019 to ₹72.88 million in Fiscal 2020. This was partially offset by a decrease in miscellaneous receipts from ₹40.16 million in Fiscal 2019 to ₹17.39 million in Fiscal 2020.

Expenses

Total expenses increased by 26.96% from ₹15,471.81 million in Fiscal 2019 to ₹19,643.72 million in Fiscal 2020, primarily due to an increase in cost of materials consumed.

Cost of Materials Consumed

Cost of materials consumed increased by 31.19% from ₹10,919.09 million in Fiscal 2019 to ₹14,324.36 million in Fiscal 2020 primarily due to increase in production of PV modules in Fiscal 2020.

Other Manufacturing and EPC Project Expenses

Other manufacturing and EPC project expenses increased by 14.98% from ₹579.12 million in Fiscal 2019 to ₹665.89 million in Fiscal 2020 primarily due to an increase in electricity charges from ₹100.81 million in Fiscal 2019 to ₹126.49 million in Fiscal 2020; labour charges from ₹216.64 million in Fiscal 2019 to ₹241.73 million in Fiscal 2020 and job work charges from ₹5.97 million in Fiscal 2019 to ₹37.21 million in Fiscal 2020. This was offset in part by a decrease in EPC project expenses from ₹260.83 million in Fiscal 2019 to ₹220.59 million in Fiscal 2020.

Employee Benefit Expenses

Employee benefit expenses increased by 26.71% from ₹431.00 million in Fiscal 2019 to ₹546.12 million in Fiscal 2020, primarily due to an increase in salaries and incentives by 19.59% from ₹387.19 million in Fiscal 2019 to ₹463.06 million in Fiscal 2020 due to salary increments and additional personnel being engaged. Directors' remuneration increased from ₹39.95 million in Fiscal 2019 to ₹51.13 million in Fiscal 2020. Contribution to provident fund and other funds also increased from ₹13.43 million in Fiscal 2019 to ₹19.11 million in Fiscal 2020, as did staff welfare expenses from ₹15.85 million in Fiscal 2019 to ₹21.03 million in Fiscal 2020.

Finance Costs

Finance costs decreased by 42.96% from ₹590.91 million in Fiscal 2019 to ₹337.06 million in Fiscal 2020. Interest expenses decreased by 53.71% from ₹531.22 million in Fiscal 2019 to ₹245.90 million in Fiscal 2020 due to a decrease in borrowings and sale of our subsidiary Waaneep Solar Private Limited in December 2018. Interest expense on lease liability also decreased by 4.68% from ₹24.88 million in Fiscal 2019 to ₹23.71 million in Fiscal 2020. This was offset in part by an increase in other borrowing costs by 105.23% from ₹29.92 million in Fiscal 2019 to ₹61.40 million in Fiscal 2020.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses decreased by 33.36% from ₹407.18 million in Fiscal 2019 to ₹271.33 million in Fiscal 2020, primarily due a decrease in amortisation of intangible assets, by 98.18% from ₹178.99 million in Fiscal 2019 to ₹3.25 million in Fiscal 2020 relating to sale of our subsidiary Waaneep Solar Private Limited which had substantial assets. This was offset in part by an increase in depreciation on property, plant and equipment from ₹184.42 million in Fiscal 2019 to ₹218.20 million in Fiscal 2020 resulting from the new manufacturing facility at Tumb adding 1 GW module manufacturing capacity in August 2018, and depreciation on lease assets from ₹43.78 million in Fiscal 2019 to ₹49.87 million in Fiscal 2020.

Sales, Administration and Other Expenses

Sales, administration and other expenses increased by 26.53% from ₹1,206.17 million in Fiscal 2019 to ₹1,526.10 million in Fiscal 2020, as a result of the following:

- Insurance costs increased by 83.42% from ₹13.63 million in Fiscal 2019 to ₹25.00 million in Fiscal 2020;

- Legal and professional fees increased by 41.85% from ₹64.76 million in Fiscal 2019 to ₹91.87 million in Fiscal 2020;

- Warranty costs increased by 31.60% from ₹65.18 million in Fiscal 2019 to ₹85.77 million in Fiscal 2020 relating to increase in revenue from PV module sales in Fiscal 2020;

- Packing material expenses increased by 32.83% from ₹147.04 million in Fiscal 2019 to ₹195.31 million in Fiscal 2020 reflecting increase in module sales in Fiscal 2020;

- Transportation, freight, duty and handling charges increased by 134.25% from ₹339.92 million in Fiscal 2019 to ₹796.26 million in Fiscal 2020 resulting primarily from increase in sales of modules relating to both sales to utility and enterprise customers as well as freight for modules sent to our expanded franchisee network.

These increases were partly offset by the following:

- Business promotion expenses decreased by 72.80% from ₹271.68 million in Fiscal 2019 to ₹73.89 million in Fiscal 2020;

- Commission expenses decreased by 68.62% from ₹117.65 million in Fiscal 2019 to ₹36.92 million in Fiscal 2020;

- Bad debt was ₹44.56 million in Fiscal 2020 compared to ₹64.57 million in Fiscal 2019.

- Miscellaneous expenses also decreased by 16.51% from ₹96.04 million in Fiscal 2019 to ₹80.18 million in Fiscal 2020.

Profit before exceptional item and tax

For the reasons discussed above, profit before exceptional items and tax was ₹569.39 million in Fiscal 2020 compared to ₹655.50 million in Fiscal 2019.

Exceptional Item

Exceptional items included gain on disposal of investment of ₹370.51 million in Fiscal 2019 relating to our subsidiary Waaneep Solar Private Limited in December 2018.

Profit Before Tax

For the reasons discussed above, profit before tax was ₹569.37 million in Fiscal 2020 compared to ₹1,025.98 million in Fiscal 2019.

Tax Expenses

Current tax expenses increased from ₹168.96 million in Fiscal 2019 to ₹190.45 million in Fiscal 2020, while deferred tax expenses decreased from ₹33.61 million in Fiscal 2019 to a credit of ₹11.42 million in Fiscal 2020. As a result, total tax expense amounted to ₹179.16 million in Fiscal 2020 compared to ₹202.58 million in Fiscal 2019.

Profit for the Year

For the reasons discussed above, we recorded a profit for the year of ₹390.21 million in Fiscal 2020 compared to ₹823.40 million in Fiscal 2019.

Restated Total Comprehensive Income for the Year

Total comprehensive income for the year was ₹386.11 million in Fiscal 2020 compared to ₹827.63 million in Fiscal 2019.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹1,177.78 million in Fiscal 2020 compared to EBITDA of ₹1,653.39 million in Fiscal 2019, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 5.83% in Fiscal 2020 compared to 10.25% in Fiscal 2019.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through debt financing and funds generated from our operations. From time to time, we may obtain loan facilities to finance our short term working capital requirements.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal		
	2019	2020	2021
	(₹ million)		
Net cash inflow from operating activities	1,053.86	832.41	672.82
Net cash inflow / (outflow) from investing activities	160.94	(223.42)	(2,496.94)
Net cash inflow / (outflow) from financing activities	(1,057.48)	(497.76)	1,613.33
Net increase/ (decrease) in cash and cash equivalents	**157.33**	**111.24**	**(210.81)**

Operating Activities

Fiscal 2021

In Fiscal 2021, net cash inflow from operations was ₹672.82 million. Restated profit before tax was ₹699.04 million in Fiscal 2021. Adjustments primarily consisted of depreciation and amortisation of ₹286.58 million; interest expense of ₹225.34 million; provision for doubtful advance of ₹2.75 million; provision for doubtful deposit of ₹10.50 million; provision for warranty of ₹72.31 million and allowance for credit losses on financial assets of ₹17.27 million. This was partially offset by interest income of ₹172.97 million and profit on sale of subsidiary of ₹10.16 million.

Operating profit before working capital changes was ₹1,067.93 million in Fiscal 2021. The main working capital adjustments in Fiscal 2021, included decrease in trade receivables of ₹224.11 million, increase in trade payables of ₹783.99 million, and decrease in other current financial assets of ₹243.09 million attributable to increase in collections against trade receivables and allowance for credit losses on financial assets of ₹17.27 million; decrease in refund receivable from government authorities by ₹145.23 million; provision for doubtful deposit of ₹10.50 million. This was significantly offset by an increase in inventory of ₹986.47 million primarily due to goods-in-transit in raw materials and finished goods. Cash generated from operations in Fiscal 2021 amounted to ₹887.98 million. Exceptional items amounted to ₹40.56 million.

Fiscal 2020

In Fiscal 2020, net cash inflow from operations was ₹832.41 million. Restated profit before tax was ₹569.39 million in Fiscal 2020. Adjustments primarily consisted of depreciation and amortisation of ₹271.33 million; interest expense of ₹269.62 million; amortisation of government grant of ₹33.48 million; loss on unrealised exchange difference of ₹29.86 million; and provision for warranty of ₹85.77 million. This was partially offset by interest income of ₹140.27 million attributable to investment made in bank deposits and other incorporate corporate deposits.

Operating profit before working capital changes was ₹1,179.59 million in Fiscal 2020. The main working capital adjustments in Fiscal 2020 primarily included decrease in trade receivables of ₹856.94 million and decrease in other current assets of ₹231.86 million attributable to increase in collections against trade receivables and allowance for credit losses on financial assets of ₹8.52 million; decrease in refund receivable from government authorities by ₹202.44 million. This was significantly offset by an increase in inventory of ₹1,431.74 million primarily due to goods-in-transit level on higher side due to congestions at port and delay of vessels. Therefore, cash generated from operations in Fiscal 2020 amounted to ₹947.15 million. Exceptional items was nil.

Fiscal 2019

In Fiscal 2019, net cash inflow from operations was ₹1,053.86 million. Restated profit before tax was ₹1,025.98 million in Fiscal 2019. Adjustments primarily consisted of depreciation and amortisation of ₹407.18 million; interest expense of ₹531.22 million; provision for warranty of ₹65.18 million and allowance for credit losses on financial assets of ₹1.46 million. This was partially offset by interest income of ₹102.16 million and gain on financial assets measured at fair value through profit or loss of ₹4.35 million.

Operating profit before working capital changes was ₹1,906.72 million in Fiscal 2019. There were no adjustments for change in working capital in Fiscal 2019. Therefore, cash generated from operations in Fiscal 2019 amounted to ₹1,226.44 million. Exceptional items amounted nil.

Investing Activities

Fiscal 2021

Net cash outflow from investing activities was ₹2,496.94 million in Fiscal 2021, primarily on acquisition of property, plant and equipment / intangible assets of ₹(748.90) million and capital advances paid during the year of ₹(897.55) million, which was marginally offset by sale proceeds from sale of mutual fund units of ₹208.00 million.

Fiscal 2020

Net cash outflow from investing activities was ₹223.42 million in Fiscal 2020, primarily on account of acquisition of property, plant and equipment / intangible assets of ₹(282.18) million and capital work in progress / intangible asset under development of ₹(352.96) million which was marginally offset by fixed deposits of ₹352.57 million.

Fiscal 2019

Net cash inflow from investing activities was ₹160.94 million in Fiscal 2019, primarily on account of investment in subsidiary / associates of ₹2,119.13 million, which was significantly offset by acquisition of property, plant and equipment / intangible assets of ₹(1,248.16) million and fixed deposits of ₹(873.00) million.

Financing Activities

Fiscal 2021

Net cash inflow from financing activities was ₹1,613.33 million in Fiscal 2021 primarily attributable to proceeds of borrowings (net) of ₹1,650.50 million.

Fiscal 2020

Net cash outflow from financing activities was ₹497.76 million in Fiscal 2021 primarily attributable to repayment of borrowings (net) of ₹206.42 million and interest paid of ₹253.52 million.

Fiscal 2019

Net cash outflow from financing activities was ₹1,057.48 million in Fiscal 2021 primarily attributable to repayment of borrowings (net) of ₹494.79 million and interest paid of ₹531.22 million.

INDEBTEDNESS

As of March 31, 2021, we had total outstanding borrowings (consisting of long term borrowings, short term borrowings and current maturities of long term borrowings) of ₹2,895.71 million. Our total debt/ equity ratio was 0.83 as of March 31, 2021. For further information on our indebtedness, see "*Financial Indebtedness*" on page 356.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2021, and our repayment obligations in the periods indicated:

Particulars	**As of March 31, 2021 Payment due by period (₹ million)**		
	Total	**Not later than 1 year**	**1-3 years**
Non-convertible debentures (secured)	492.78	250.00	242.78
Vehicle loan (secured)	5.23	2.71	2.52
Term loan from others (secured)	1,030.81	124.38	906.43
Unsecured	442.47	-	442.47
Total Non-Current borrowings	1,971.29	377.09	1,594.20
Current Borrowings			
From banks (secured)	525.66	525.66	-
Unsecured	21.66	21.66	-
Total Current Borrowings	547.32	547.32	-

Particulars	As of March 31, 2021		
	Payment due by period		
	(₹ million)		
	Total	Not later than 1 year	1-3 years
Total Borrowings	2,518.61	924.41	1,594.20

CONTINGENT LIABILITIES, ASSETS AND CAPITAL COMMITMENTS

As of March 31, 2021, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

Particulars	Amount (₹ million)
Claims against the parent company not acknowledged as debts	130.61
Disputed statutory liability of parent company	98.33
Guarantee given by bank on behalf of parent company	483.42
Guarantee/Indemnity given by parent company to others	786.66
Letter of credit outstanding of parent company	535.50
Inland/export bill discounting of parent company	1,770.56
Total	**3,805.07**

During Fiscal 2018 to 2019, we entered into Share Purchase Agreement and its amendment for sale of the investment in our wholly-owned subsidiary, Waaneep Solar Private Limited. As per terms of the agreement, ₹484.17 million was withheld by the buyer which will be remitted on closure of pending litigations and obligations in such subsidiary. We recognized ₹40.56 million in Fiscal 2021 (Fiscal 2020: ₹158.00 million) on the basis of certainty and balance amount of ₹251.07 million in Fiscal 2021 (Fiscal 2020: ₹326.17 million) will be recognized as income on successful closure of such litigations and obligations which are contingent in nature.

As of March 31, 2021, our capital commitments that have not been accounted for in our financial statements, were as follows:

Particulars	Amount (₹ million)
Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,052.64
Total	**1,052.64**

For further information on our contingent liabilities, see "*Restated Consolidated Financial Statements – Annexure VI – Note 42: Contingent Liabilities, Assets and Commitments*" on page 290.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2021, aggregated by type of contractual obligation:

Particulars	As of March 31, 2021		
	Payment due by period		
	Total	Less than 1 year	More than 1 year
	(₹ million)		
Lease liabilities	503.27	59.57	443.70
Trade payables	4,372.11	4,372.11	-
Other current financial liabilities	463.01	463.01	-

For further information on our capital and other commitments, see "*Restated Consolidated Financial Statements*" on page 235.

CAPITAL EXPENDITURES

In Fiscal 2019, Fiscal 2020, Fiscal 2021, our capital expenditure towards additions to fixed assets (land, property, plant and equipment's and intangible assets, excluding disposal of assets) were ₹830.69 million, ₹585.98 million and ₹1,403.83 million, respectively. The following table sets forth our fixed assets for the periods indicated:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021
		(₹ million)	
Land, property, plant and equipment	874.01	1,107.53	2,230.20
Capital Work in Progress	0.00	373.12	13.18
Total	874.01	1,480.65	2,243.38

For further information, see "*Restated Consolidated Financial Statements*" on page 235.

RELATED PARTY TRANSACTIONS

We have entered into transactions with certain related parties, including certain former and current Directors and company secretaries, relatives of Directors, other Key Managerial Personnel of our Company, enterprises owned or influenced by such key managerial personnel, enterprises owned or significantly influenced by key managerial personnel with whom there were transactions/balance during the year, associates and subsidiary companies. In particular, we have entered into various transactions with such parties in relation to, amongst others, remuneration, professional fees, rent expense, loans, investments, security deposits and reimbursement of expenses.

For details of related party transactions of our Company for the financial years ended March 31, 2019, 2020 and 2021, as per Ind AS 24 – Related Party Disclosures, see "*Related Party Transactions*" and "*Restated Consolidated Financial Statements – Note 45: Related Party Transaction*" on pages 320 and 296, respectively.

AUDITOR'S OBSERVATIONS

There have been no qualifications, adverse remarks or matters of emphasis highlighted by our statutory auditors in their report on the Restated Consolidated Financial Statements.

For further information, see "*Restated Consolidated Financial Statements*" on page 235.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our Group's activities expose us to a variety of financial risks: market risk, credit risk and liquidity risk. Our Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on our financial performance.

Credit risk

Credit risk is the risk of financial loss to our Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from our Group's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which our Group grants credit terms in the normal course of business.

Our Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which we operate. Our Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and our Group's historical experience for customers. For further information on the ageing of trade receivables, see, "*Restated Consolidated Financial Statements – Annexure VI – Note 50*" on page 305.

Our management do not expect any credit risk for the matter referred to in Note 49B as the receivable amounting to ₹60.07 million are secured and in respect to investment amounting to ₹100 million, in view of our management award would be in favor of our Company. Our Company has not provided for any expected credit loss for the same.

Liquidity risk

Liquidity risk is the risk that our Group will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Group through effective fund management of our Group's short, medium and long-term funding and liquidity management requirements. Our Group manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. For further information on contractual maturities of financial liabilities, see, "*Restated Consolidated Financial Statements – Annexure VI – Note 50*" on page 305.

Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Exposure to Currency Risk. Our Group is exposed to currency risk on account of our operating and financing activities. The functional currency of our Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and European dollars. Our Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. Our Group has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Sensitivity Analysis. A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and European dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalized to fixed assets or recognized directly in reserves, the impact indicated below may affect our Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Derivative Financial Instruments. Our Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank. This derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs thar are directly or indirectly observable in the market place.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. Our Group manages our interest rate risk by monitoring the movements in the market interest rates closely.

Cash flow sensitivity analysis for variable-rate instrument. The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates:

Other price risk

Our Group invests our surplus funds in various Equity and debt instruments. These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 324 and 29, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 324 and 29, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 165 and 322, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 165, 116 and 29, respectively, for further details on competitive conditions that we face across our various business segments.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three Fiscals are as described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2021 compared to Fiscal 2020*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2020 compared to Fiscal 2019*" above on pages 343 and 346, respectively.

SEGMENT REPORTING

Based on the business activities during the financial year, we have identified the following business segments: (i) solar PV modules and EPC of solar power plants; and (ii) generation of power. These business segments have been identified considering (i) the nature of products and services; (ii) the differing risk and returns; (iii) the internal organization and management structure, and (iv) the internal financial reporting systems.

For further information, see "*Restated Consolidated Financial Statements – Annexure VI – Note 44*" on page 295.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Revenues from any particular customer may vary between financial reporting periods depending on the nature and term of ongoing contracts with such customer. In Fiscal 2019, 2020 and 2021, our top 10 customers across our business (excluding any sales to Promoter Group companies) accounted for 51.61%, 42.62% and 42.78%, respectively, while our largest customer in respective years accounted for 16.95%, 9.23% and 14.07%, respectively, of our total revenue from operations in such periods. We have also recently received two large contracts, each for 1,000 MW, from ReNew Power and another solar energy project developer in India, which are expected to make a significant contribution to our results of operations in Fiscal 2022 and Fiscal 2023. For further information, see "*Risk Factors – Our business is dependent on certain key customers and the loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.*" on page 38.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not subject to seasonality or cyclicality. For further information, see "*Industry Overview*" and "*Our Business*" on pages 116 and 165, respectively.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2021 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed above and elsewhere in this Draft Red Herring Prospectus, to our knowledge no circumstances have arisen since March 31, 2021, that could materially and adversely affect or are likely to affect, our operations, trading or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

We avail loans and borrowing facilities in the ordinary course of our business for meeting our working capital and business requirements. For details of the borrowing powers of our Board, see "*Our Management - Borrowing Powers*" on page 210.

We have obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Offer, including, *inter alia*, effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents and change in the composition of our Board.

As on August 31, 2021, our outstanding borrowings (on a consolidated basis) was ₹3,000.50 million as certified by SGCO & Co LLP, Chartered Accountants, vide certificate dated September 28, 2021, and a brief summary of such borrowings is set forth below:

Category of borrowing	**Sanctioned amount as on August 31, 2021 (in ₹ million)**	**Outstanding amount as on August 31, 2021 (in ₹ million)**
Borrowings of our Company		
Secured borrowings		
Term loans	2,258.32	1,151.02
Non-convertible debentures	750.00	750.00
Working capital facilities	682.00	284.86
Vehicle loans	10.72	6.84
Total (A)	**3,701.04**	**2,192.72**
Borrowings of our Subsidiaries		
Secured borrowings		
Term loans	369.80	369.80
Total (B)	**369.80**	**369.80**
Unsecured borrowings		
Inter-corporate deposits	665.50	437.98
Total (C)	**665.50**	**437.98**
Total borrowings (A + B + C)	**4,736.34**	**3,000.50**

For details of our borrowing obligations for the last three Fiscals, please see "*Financial Statements"* on page 235.

Principal terms of the borrowings availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. ***Interest:*** In respect of the working capital facilities, the interest rate payable ranges between 9.70% per annum and 9.80% per annum, which is typically linked to a benchmark rate or the base rate of respective lender. The inter-corporate deposits bear an interest ranges between 10.75% per annum to 16.00% per annum. The interest rate for the term loans presently ranges between 7.90% per annum to 11.00% per annum. The coupon rate for the NCDs issued by our Company is 13.9% per annum for NCD Series-I and 14.15% per annum for NCD Series-II.

2. ***Tenor:*** The working capital facilities availed by us are typically available for a period of 12 months to 24 months, subject to periodic review and renewal by the relevant lender. The typical tenor of the term loans availed by us is for a period of three to twelve years. The NCDs issued by our Company have a tenor of two years for NCD Series-I and three years for NCD Series-II.

3. ***Security:*** Our borrowings are secured by, *inter alia*, the following:

   (a) mortgage of leasehold premises;
   (b) charge and hypothecation of assets/properties (existing and future);
   (c) issuance of demand promissory notes and letters of continuity for specified amounts;
   (d) deposit of post-dated cheques;

(e) charge on fixed/recurring deposits/bank guarantees;
(f) residual charge on fixed and current assets;
(g) hypothecation of vehicles which have been financed;
(h) pledge of the shareholding of Promoter Group; and
(i) corporate and personal guarantees by our Promoters.

4. ***Penal Interest:*** The borrowings availed by us contain provisions prescribing penalties for pre-payment as well as delayed payment or default in the repayment obligations, including delay in creation of the stipulated security and/or submission of documents such as annual reports and financial statements. The penal interest is typically ranges from 1% per annum to 2.50% per annum, over and above the applicable interest rate, on the amount outstanding.

5. ***Repayment:*** Our working capital facilities are typically repayable on demand. Our term loans are typically repayable in structured instalments. The NCDs issued by our Company are repayable on equated quarterly instalments post the principal moratorium till maturity. The ICDs availed by our Subsidiaries are required to be repaid either on demand or as a bullet payment at the end of the term of such borrowing.

6. ***Restrictive covenants*:** The financing arrangement entered into by us entail various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lenders before carrying out such activities. For instance, certain corporate actions for which we require the prior written consent of the lenders include:

   (a) amending or modifying the constitutional documents;
   (b) changing the constitution/composition of the board of directors;
   (c) implementing any drastic change in the management set up;
   (d) undertaking any merger, de-merger, consolidation, reorganisation, dissolution, scheme of arrangement or compromise with creditors or shareholders;
   (e) effecting any change to the capital structure or shareholding pattern; and
   (f) undertaking any expansion or fresh project or acquisition of fixed assets by our Company.

7. ***Events of default:*** The term loans and other borrowing facilities availed by us contain certain standard events of default, including:

   (a) failure to make payment of any principal, interest, costs or other amounts on due dates;
   (b) failure to observe or comply with any of the terms and conditions of the transaction documents;
   (c) any event that would likely constitute a material adverse change, as set out in the financing documents;
   (d) failure to comply with security covenants;
   (e) change in control or ownership;
   (f) abandonment of whole or a substantial part of our businesses;
   (g) in case any step is taken against us for dissolution, winding up, liquidation and/or insolvency; and
   (h) in case the security is in jeopardy or ceases to have effect or becomes illegal.

   The details above are indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

8. ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, the following, *inter alia,* are the consequences of occurrence of events of default, whereby our lenders may:

   (a) withdraw or cancel the sanctioned facilities/loans;
   (b) suspend further access/drawdowns, either in whole or in part, of the facility;
   (c) seek immediate repayment of either whole or part of the outstanding amounts;
   (d) accelerate repayments/ initiate recall of the loans;
   (e) appoint a nominee director on the Board of Directors;
   (f) disclosure of details of borrowings and default to regulators/third parties;
   (g) invocation of corporate guarantees provided;
   (h) enforce their security interest which includes, among others, taking possession of charged assets and transfer of the secured assets to such other third parties by way of lease, leave and license, sale or otherwise; and
   (i) application of penal rate of interest/penal charges over and above the agreed rates.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no pending (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoters; (ii) actions by statutory or regulatory authorities involving our Company, Subsidiaries, Directors, or Promoters; (iii) claims relating to direct and indirect taxes involving our Company, Subsidiaries, Directors, or Promoters; and (iv) any other pending litigation involving our Company, Subsidiaries, Directors or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below).

In accordance with the Materiality Policy, all pending litigation/arbitration (other than outstanding criminal proceedings, actions by statutory or regulatory authorities and claims relating to direct and indirect taxes mentioned in points (i) to (iii) above):

A. *involving our Company and Subsidiaries:*

   (i) *where the aggregate monetary claim made by or against our Company and/or our Subsidiaries (individually or in aggregate), in any such pending litigation/arbitration is equal to or in excess of 1% of the consolidated profit after tax of the Company, for the last completed financial year as per the Restated Consolidated Financial Statements.*

   The profit after tax of our Company for Fiscal 2021 as per the Restated Consolidated Financial Statements was ₹481.90 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company and/or Subsidiaries (individually or in aggregate), in any such pending litigation is equal to or in excess of ₹4.82 million (being 1% of our profit after tax in Fiscal 2021 as per the Restated Consolidated Financial Statements); or

   (ii) *where the outcome of such litigation, including any litigation under the Insolvency and Bankruptcy Code, 2016, as amended, irrespective of any amount involved in such litigation or wherein a monetary liability is not quantifiable, could have a material adverse effect on the position, business, operations, performance, prospects or reputation of the Company or its Subsidiaries.*

B. *involving our Promoters or Directors, the outcome of which could have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company, irrespective of the amount involved in such litigation, have been considered "material" and accordingly have been disclosed in this Draft Red Herring Prospectus.*

Further, there are no: (i) disciplinary actions (including penalties) imposed by SEBI or a recognized stock exchange against our Promoters in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action; and (ii) outstanding litigation involving the Group Companies, which may have a material impact on our Company.

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of 5% of the trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Statements. The trade payables of our Company as on March 31, 2021 was ₹4,372.11 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹218.61 million (being 5% of the total trade payables) as on March 31, 2021.

*For the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Promoters, Directors or Group Companies (collectively the "**Relevant Parties**") from third parties (excluding those notices issued by statutory or regulatory or governmental or taxation authorities) have not and shall not, unless otherwise decided by our Board, be considered material until such time the Relevant Party is impleaded as a defendant in litigation before any judicial or arbitral forum.*

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

A. Litigation involving our Company

Criminal proceedings involving our Company

1. Our Company filed a criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against the M/s Prabhat Telecom (India) Limited ("**Respondent**") before the Additional Metropolitan Magistrate Court, Andheri, Mumbai claiming an amount of ₹3.50 million for dishonour of cheques and failure of payment with respect to the purchase orders placed by the Respondent for supply of solar home lighting systems and solar modules delivered by our Company. Additionally, insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 has been initiated against the Respondent in separate proceedings by its creditors. Our Company has also submitted its claim of ₹2.50 million in unpaid operational debt along with interest at 24% per annum, aggregating to ₹3.11 million, before the interim resolution professional. The matters are currently pending.

2. Our Company filed a criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against the M/s. Pragat Akshay Urja Limited ("**Respondent**") before the Chief Metropolitan Magistrate Court, Esplanade Court, Mumbai, claiming an amount of ₹3.50 million for dishonour of cheques given by the Respondent as collateral towards payment of outstanding amount with respect to purchase orders placed by M/s Prabhat Telecom (India) Limited for supply of solar home lighting systems and solar modules. The matter is currently pending.

Other pending material litigation involving our Company

Civil proceedings against our Company

1. RRJ Infra Industries Private Limited (formerly known as Kanpur Constructions Private Limited) ("**Plaintiff**") filed a commercial suit against our Company before the High Court of Bombay for recovery of ₹29.30 million ("**Suit**"). The Plaintiff had issued two letters of intents ("**LOIs**") to our Company for (i) 300Kwp rooftop solar PV project and (ii) 1.8 MWp DC and 1.5 MWp AC ground mounted solar PV project, with a timeline to complete both projects within four months from the date of LOIs. However, due to reasons not attributable to our Company, delays were caused in the execution of the project due to which the Plaintiff was not able to claim accelerated depreciation benefits for which it passed on the losses to our Company along with liquidated damages and interest at the rate of 18% per annum. Our Company denied such liability and requested the Plaintiff to fulfil their payment obligations as per the terms of the contract within the agreed timeline. Due to the non-payment of the aforesaid amount against the completed work, our Company issued a notice to the Plaintiff. However, the Plaintiff denied having any payment obligations towards our Company and filed the Suit. The matter is currently pending.

2. Orbittal Electromech Engineering Projects Private Limited ("**Petitioner**") filed a petition under Section 18(1) of the Micro, Small and Medium Enterprises Development Act, 2006 ("**MSMEDA**") before the Industry Facilitation Council, Pune ("**Council**") alleging non-payment of ₹5.12 million by our Company for the supply of goods pursuant to an engineering procurement contract ("**EPC Contract**") executed between our Company and the Petitioner on November 1, 2014 for supply, installation, testing, commissioning and liaison work, the scope of which was revised on April 13, 2015. The matter is currently pending.

3. Our Company received a notice under Sections 6 and 8 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") from Satec Envir Engineering (India) Private Limited ("**Claimant**"), demanding payment in respect of unpaid operational debt amounting to ₹6.15 million ("**Operational Debt**") against the purchase orders made by our Company for supply of equipment by the Claimant ("**Notice**"). Our Company replied to the Notice denying the existence of the Operational Debt and suggested arbitration to resolve the dispute. Subsequently, the Claimant filed a petition under Section 9 of the IBC before the National Company Law Tribunal, Mumbai bench ("**NCLT Mumbai**") which was dismissed pursuant to an order passed by NCLT Mumbai in view of the pre-existing dispute regarding the existence of the Operational Debt. Meanwhile, since the Claimant had not consented to the appointment of arbitrator, our Company withdrew its application for appointment of arbitrator. Thereafter, our Company has received an arbitration invocation notice from the Claimant. The matter is currently pending.

4. Sahasradhara Energy Private Limited ("**Claimant**") invoked arbitration proceedings before the arbitral tribunal at Chennai ("**Arbitral Tribunal**") against our Company for refund of ₹9.83 million, being the 5% contract value paid by it to our Company as per the provisions of the supply agreement entered into between

our Company and the Claimant. The Arbitral Tribunal passed an award in favour of the Claimant ("**Award**"). Thereafter, our Company filed a petition under Section 34(2)(b)(ii) of the Arbitration and Conciliation Act, 1996 ("**Petition**") before the Madras High Court ("**High Court**") for setting aside the Award passed by the Arbitral Tribunal which was rejected by the High Court. Thereafter, the Claimant filed an execution petition before the High Court ("**Execution Petition**"), requesting a decree to execute the Award. The matter is currently pending.

Civil proceedings by our Company

1. Our Company filed a civil suit ("**Petition**") against Photon Vidyut Private Limited ("**Defendant**") before the High Court of Delhi ("**High Court**") for recovery of ₹31.37 million ("**Amount**") in lieu of supply of 10 MW solar PV modules ("**Goods**") to the Defendant. Thereafter, a revised petition was filed by our Company for correcting the petition to the extent of making declaration under the Income tax Act, 1961 and compliance under Commercial Courts Act, 2015. Subsequently, the Defendant submitted its written statement before the High Court. The matter is currently pending.

2. Our Company filed a statement of claim before the Arbitral Tribunal ("**Tribunal**") against the Madhya Pradesh Urja Vikas Nigam Limited ("**Respondent**") arising out of claims under the notice inviting tender, read with agreement dated July 24, 2013 entered into by our Company and the Respondent for setting up and commissioning of a solar water heating systems ("**Agreement**"), seeking termination of the Agreement and payment of ₹35.23 million from Respondent against amounts due under invoices raised, cost of materials, cost of man power and the earnest money deposit. The Respondent submitted its reply and counter claim before the Tribunal. Pursuant to an order, the Tribunal listed the matter for further hearing. The matter is currently pending.

3. Our Company filed an application under Section 9 ("**Petition**") of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") read with Rule 6 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 against Pan India Infra Projects Private Limited ("**Corporate Debtor**") to initiate corporate insolvency resolution process ("**CIRP**") due to failure and non-payment of operational debt amounting to ₹26.08 million for the supply of solar module and certain EPC works in relation to 168 Mwp DC Solar PV based Power Project at Odisha ("**Operational Debt**") before the National Company Law Tribunal, Mumbai. Simultaneously, certain other creditors also initiated IBC proceedings against the Corporate Debtor pursuant to which the Corporate Debtor filed its written statement. The Corporate Debtor has been admitted in the CIRP and an interim resolution professional was appointed before which our Company filed its claim. The claim has been admitted for ₹37.56 million by the resolution professional. The matter is currently pending.

4. Our Company filed a statement of claim for non-payment of dues of ₹300.95 million, along with interest at 24% per annum, before the sole arbitrator ("**Arbitrator**") against Taxus Infrastructure and Power Projects Private Limited ("**Respondent**") arising out of the claims under (i) the engineering procurement construction contract entered into by and between the Respondent and our Company; (ii) The debenture subscription agreement pursuant to which our Company loaned an amount of ₹100.00 million towards financing of the project by subscribing to the issue of 0.10 million debentures at the face value of ₹1,000 each; and (iii) an equipment supply agreement ("**ESA**") for supply of equipment to the Respondent by our Company. The Respondent filed a counter-claim amounting to ₹299.93 million, along with interest, before the Arbitrator. The matter is currently pending.

5. Pursuant to order passed by the National Company Law Tribunal, Principle bench, New Delhi ("**NCLT Delhi**") in the matter of Corporation Bank ("**Applicant**") and Indosolar Private Limited ("**Respondent**"), the petition filed by the Applicant under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") was admitted, and our Company (also the "**Resolution Applicant**") submitted a resolution plan before the committee of creditors ("**CoC**") for their consideration. Our Company received the approval of the resolution plan, along with the addendums. Thereafter, the resolution professional issued a letter of intent ("**LOI**") to our Company which was accepted by us. Subsequently, due to the Covid-19 pandemic, our Company requested certain amendments to the resolution plan submitted by us, which was denied by the Committee of Creditors (CoC). Thereafter, our Company called upon the resolution professional to refund the bid bond amount of ₹10.00 million which was also refused by the resolution professional. Our Company also requested the resolution professional to withdraw the pending application under Section 31 of IBC before the NCLT Delhi. However, aggrieved by the inaction of the resolution professional, our Company filed an application before the NCLT Delhi for refund of the bid bond amount. The matter is currently pending.

6. Our Company filed a commercial suit before the Bombay City Civil Court, Dindoshi ("**Court**") against Sachin Verma and Goldi Solar Private Limited (collectively, the "**Defendants**") claiming ₹5.00 million in damages for material breach of the terms of Sachin Verma's non-disclosure agreement ("**NDA**"). Sachin Verma had access to several confidential information owing to the nature of his employment with our Company. His sudden resignation was a cause of concern for our Company as he joined, Goldi Solar Private Limited, in a key managerial role, post which a series of employees employed at the middle-level management with our Company followed suit, indicating breach of confidentiality by disseminating recruitment / personnel related information. The matter is currently pending. A mediation application under Rule 3(1) of the Commercial Courts (Pre-Institution Mediation and Settlement) Rules, 2018 has also been filed by our Company which is also currently pending.

Tax proceedings involving our Company

Nature of case	Number of cases	Amount in dispute/demand (in ₹ million, to the extent quantifiable)
Direct tax	3	3.64
Indirect tax	12	112.41
Total	**15**	**116.05**

B. Litigation involving our Subsidiaries

Outstanding criminal litigation by our Subsidiaries

Sangam Rooftop Solar Private Limited, ("**Applicant**") filed a criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against Southern Batteries Private Limited ("**Respondent**"), before the Metropolitan Magistrate Court, Borivali, ("**Court**") claiming an amount of ₹6.88 million alleging failure to make payments for the solar roof top plant installed for the Respondent pursuant to the power purchase agreement ("**PPA**") executed between the Applicant and SBPL. The matter is currently pending.

Tax proceedings involving our Subsidiaries

Nature of case	Number of cases	Amount in dispute/demand (in ₹ million, to the extent quantifiable)
Waaree Renewable Technologies Limited		
Direct tax	1	Not quantifiable
Indirect tax	-	-
Total	**1**	**-**

C. Litigation involving our Directors

Tax proceedings involving our Directors

Nature of case	Number of cases	Amount in dispute/demand (in ₹ million, to the extent quantifiable)
Hitesh Chimanlal Doshi		
Direct tax	3	1.56
Indirect tax	-	-
Virenkumar Chimanlal Doshi		
Direct tax	2	0.68
Indirect tax	-	-
Hitesh Pranjivan Mehta		
Direct tax	2	1.87
Indirect tax	-	-
Total	**7**	**4.11**

D. Litigation involving our Promoters

Tax proceedings involving our Promoters

For details in relation to pending tax proceedings involving our Promoters, see "- *Litigation involving our Directors - Tax proceedings involving our Directors*"

E. Outstanding dues to creditors

In accordance with the Materiality Policy, a creditor of our Company shall be considered 'material' ("**Material Creditors**") for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due to such creditor by our Company is equal to or in excess of 5% of the trade payables of our Company as at the end of the latest fiscal year in the Restated Consolidated Financial Statements (*i.e.*, as at March 31, 2021). Accordingly, a creditor has been considered 'material' if the amount due to such creditor is equal to or exceeds ₹218.61 million as on March 31, 2021.

As of March 31, 2021, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors is as follows

Sr. No.	Type of creditor	No. of creditors	Amount outstanding (in ₹ million)
1.	Dues to micro, small and medium enterprises*	111	117.22
2.	Dues to Material Creditor(s)	4	1,167.17
3.	Dues to other creditors	700	3,087.73
	Total	**815**	**4,372.12**

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

The details pertaining to outstanding dues to Material creditors, along with the name and amounts involved for each such Material Creditor, are available on the website of our Company at www.waaree.com/ipo.

It is clarified that, in accordance with the SEBI ICDR Regulations, information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.waaree.com/ipo would be doing so at their own risk.

F. Material Developments

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 322, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have obtained all material consents, licenses, permissions, registrations and approvals from various governmental, statutory and regulatory authorities in India, which are necessary for undertaking our current business activities and operations and except as disclosed below, no further material approvals are required for carrying on the present business operations of our Company. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies in India" on page 183. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors - An inability to obtain or maintain regulatory approvals and permits required for our business operations in a timely manner may adversely affect our business prospects and financial performance" on page 47

For Offer related approvals, see "Other Regulatory and Statutory Disclosures" on page 365 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 190.

Material approvals in relation to our business and operations

1. Factory license issued under the Factories Act, 1948 by Directorate Industrial Safety and Health, Gujarat State in respect of our manufacturing facilities located in the state of Gujarat. These approvals are periodically renewed, whenever applicable.

2. Environmental clearance from the Ministry of Environment and Forests.

3. Relevant approvals under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974.

4. Registration under the Bureau of Indian Standards Act, 2016 issued by the Bureau of Indian Standards in respect of our products including solar modules and solar panels.

5. Authorisation to carry our Electrical Installation Works in Gujarat issued by the Government of Gujarat, Energy and Petrochemicals Department. These approvals are periodically renewed, whenever applicable.

6. No objection certificate from the relevant state fire department.

7. Industrial Entrepreneurs Memorandum Section Acknowledgement issued under the Industries (Development and Regulation) Act, 1951 by the Secretariat for Industrial Assistance, Ministry of Commerce and Industry, Government of India for our manufacturing facility in Tumb.

8. Certificate of importer exporter code issued by the Ministry of Commerce and Industry, Office of Zonal Director General of Foreign Trade.

9. Recognition as two star export house, in accordance with the provisions of the Foreign Trade Policy 2015-2020, issued by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

10. Registration cum member certificate issued by Federation of Indian Export Organisations, set up by Ministry of Commerce, Government of India.

11. Membership to recycling and refining facility for electronic waste disposal issued by the E-Frontline Recycling Private Limited.

12. Letter of approval, issued by the Development Commissioner, Surat- SEZ authorizing our Company to set up its manufacturing facility in Surat.

Pursuant to notification no. B-29012/ESS(CPA)/2015-16 dated March 7, 2016, further clarified by notifications dated January 18, 2017 and November 17, 2017, issued by the Central Pollution Control Board, the industrial sector, in which our Company operates, has been classified under the 'white category' and accordingly our Company is not required to obtain consent to establish or consent to operate under the Water (Prevention and

Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, provided that an intimation is sent to the concerned state pollution control board. Our Company has, vide letter dated September 15, 2021, sent an intimation to the Gujarat Pollution Control Board in relation to our manufacturing facilities in Tumb, Nandigram and Surat.

Material labour/employment related approvals

1. Registration under applicable shops and establishments legislation for our offices, issued by the ministry or department of labour of relevant State government, wherever applicable. These licenses are periodically renewed, whenever applicable.

2. Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, issued by the Employees' Provident Fund Organisation, for our offices and manufacturing facilities.

3. Registration under the Employees' State Insurance Act, 1948, issued by the Regional Office, Employees State Insurance Corporation for our manufacturing facilities.

4. Registration under Contract Labour (Regulation & Abolition) Act, 1970 for manufacturing facilities, wherever applicable, issued by relevant registering officer. These approvals are periodically renewed, whenever applicable.

Tax related approvals

1. Permanent account number issued by the Income Tax Department under the Income Tax Act, 1961.

2. Tax deduction account number issued by the Income Tax Department under the Income Tax Act, 1961.

3. Goods and services tax registration issued by the Government of India and of respective states where we operate, under the Goods and Service Tax Act, 2017.

4. Certificate of Registration under the Gujarat state tax on Profession, Trade, Calling and Employments Act, 1976.

Material Approvals for which application has been filed by our Company

In relation to our manufacturing facility located at Tumb, Valsad, the chief officer of the notified area, GIDC, Sarigam had issued a certificate dated March 26, 2019 in relation to the requisite fire safety measures adopted by our Company ("**Fire NOC**") which expired on March 25, 2020. Our Company was unable to renew the Fire NOC due to exigencies caused by COVID-19. Subsequently, the Department of Labour and Employment, Government of Gujarat, pursuant to a notification dated November 26, 2020 ("**Notification**") have mandated all factories located in the state of Gujarat have to obtain a Fire NOC under the Gujarat Fire Prevention and Life Safety Measures Act, 2013 and the rules framed thereunder, from a "competent authority". Our Company has sought guidance, in relation to our manufacturing facility located in Tumb, from the District Collector, Valsad, Surat Municipal Corporation and Ministry of Home Affairs, Gujarat through letters dated September 3, 2021, September 16, 2021 and September 16, 2021 respectively, and in relation to our manufacturing facility located at Surat, from Surat Municipal Corporation and Ministry of Home Affairs, Gujarat through letters dated September 16, 2021, for identification of such "competent authority" with whom such application is required to be filed to obtain the Fire NOC. On receipt of necessary clarification, our Company shall undertake appropriate action in this matter.

Intellectual property rights

For details in relation to intellectual property rights, see "*Our Business*" on page 165 and "*Risk Factors – We may not be able to adequately protect or continue to use our intellectual property. In addition, the use of our brand "Waaree" or similar trade names by third parties could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows. "* on page 40.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on August 6, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated September 1, 2021. Further, our Board has taken on record the respective approvals for the Offer for Sale by the Selling Shareholders in its meeting held on September 17, 2021.

Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 28, 2021.

The Offer for Sale has been authorised by the Selling Shareholders as follows:

Selling Shareholder	Total number of Offered Shares	Aggregate value of dilution in the Offer for Sale	Date of corporate approval	Date of consent letter
Hitesh Chimanlal Doshi	Up to 1,315,000	Up to ₹[●] million	-	September 15, 2021
Virenkumar Chimanlal Doshi	Up to 1,315,000	Up to ₹[●] million	-	September 15, 2021
Mahavir Thermoequip Private Limited	Up to 1,315,000	Up to ₹[●] million	September 14, 2021	September 15, 2021
Samir Surendra Shah	Up to 40,000	Up to ₹[●] million	-	September 15, 2021
Nilesh Gandhi jointly with Drasta Gandhi	Up to 22,500	Up to ₹[●] million	-	September 15, 2021

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Subsidiaries, our Promoters, our Directors, the members of the Promoter Group, the Selling Shareholders, the persons in control of our Company and the persons in control of Mahavir Thermoequip Private Limited, our corporate Promoter are not prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended to the extent applicable.

Directors associated with the Securities Market

Other than Sujit Kumar Varma who is a director on Tata Asset Management Limited, which is registered with SEBI as a portfolio manager, none of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three Fiscals are set forth below:

(*in ₹ million, unless otherwise stated*)

Particulars	As at and for the Fiscal ended		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**
Restated net tangible assets [1]	12,176.61	8,947.10	7,800.14
Restated monetary assets[2]	1,102.54	786.97	1,194.68
Monetary assets, as a percentage of net tangible assets, as restated	9.05	8.80	15.32
Operating profit/ (loss), as restated[3]	561.71	651.14	1,029.42
Net worth, as restated [4]	3,446.90	2,977.20	2,564.19

Notes:

[1]Restated Other Intangible assets include Right of Use Assets, other intangible assets, Intangible assets under development and Goodwill. For the purposes of above, "net tangible assets" mean the sum of all net assets of the Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) or Indian Accounting Standard (Ind AS) 38, as applicable, issued by the Institute of Chartered Accountants of India.

[2] 'Restated Monetary assets include cash and cash equivalent and Bank balances other than cash and cash equivalent (Includes Lien marked Fixed Deposits)

[3]Operating profit for this purpose means Profit /(Loss) before Tax and exceptional items as per Statement of Restated Profit and Loss Account. Further, such Profit /(Loss) before Tax and exceptional items excludes finance cost and other income in the calculation of Profit /(Loss) before Tax.

[4] For the purposes of the above, "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation, each as applicable for the Company on a restated basis.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

The details of our compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or the Selling Shareholders are debarred from accessing the capital markets by SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) None of our Company, our Promoters or Directors is a Wilful Defaulter.

(d) None of our Promoters or Directors has been declared a Fugitive Economic Offender.

(e) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;

(f) Our Company along with Registrar to the Offer has entered into tripartite agreements dated August 27, 2021 and August 25, 2021 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.

(g) The Equity Shares of our Company held by the Promoters are in the dematerialised form; and

(h) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

Each of the Selling Shareholders has severally and not jointly confirmed compliance with Regulation 8 of the SEBI ICDR Regulations and approved its participation in the Offer for Sale in relation to its portion of the Offered Shares.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMs, BEING AXIS CAPITAL LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED, ICICI SECURITIES LIMITED AND INTENSIVE FISCAL SERVICES PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, the Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.waaree.com would be doing so at his or her own risk. The Selling Shareholders, its respective directors, affiliates, associates and officers accept or undertake no responsibility for any statements other than those specifically undertaken or confirmed by the Selling Shareholder in relation to itself and the Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, employees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEMA NDI Rules) and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does

not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act if such an offer for sale is made otherwise than in compliance with the available exemptions from registration under the U.S. Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

8. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

10. Our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

11. the purchaser acknowledges that our Company, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with our Company and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

10. the purchaser acknowledges that our Company, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

European Economic Area

In relation to each European Economic Area State that has implemented the Prospectus Directive (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus Regulation (EU) 2017/1129 (each, a "**Relevant Member State**"), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Regulations, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulations;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Directive), subject to obtaining the prior consent of the BRLMs; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for our Company, the Selling Shareholders or any BRLM to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 23 of the Prospectus Directive.

For the purposes of this paragraph, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Directive" means Regulation (EU) 2017/1129.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the Financial Conduct Authority is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc. (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of BRLMs for any such offer; or

(c) in any other circumstances falling within Section 86 of the FSMA.

provided that no such offer of Equity Shares shall result in a requirement for our Company, the Selling Shareholders or any BRLM to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Statutory Auditors, legal counsels appointed for the Offer, the BRLMs, the Registrar to the Offer, lenders to our Company (wherever applicable), the Project Consultant, the Chartered Engineer and CRISIL have been obtained; and consents in writing of the Syndicate Members, Monitoring Agency, Sponsor Bank, Escrow Collection Bank(s), Public Offer Account Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus with the RoC.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated September 18, 2021 from Shah Gupta & Co, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 17, 2021 on our Restated Consolidated Financial Statements; and (ii) their report dated September 18, 2021 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this DRHP. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

Our Company has also received written consent dated September 19, 2021 from Oriens Advisors LLP, independent project consultants, to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the Project Report(s). Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has received written consent dated September 16, 2021 from Mohanlal R. Prajapati, Chartered Engineer, as chartered engineer to include his name, as required under Section 26 of the Companies Act, 2013, in this Draft Red Herring Prospectus and as an 'expert' under Section 2(38) of Companies Act, 2013 in respect of the certificate dated September 16, 2021. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis objects* – Last issue of subsidiaries or listed promoters

Our listed subsidiary, Waaree Renewable Technologies Limited has not undertaken any public/ rights issue of its equity shares in the preceding five years. Our Company does not have any listed promoters.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public offering of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entities during the previous three years

Our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus. Our Associate is not listed on any Stock Exchange.

Except as disclosed below, our listed subsidiary, Waaree Renewable Technologies Limited and our listed Group Company, Waaree Technologies Limited have not undertaken any capital issue in the last three years preceding the date of this Draft Red Herring Prospectus:

Particulars	Capital issuance by Waaree Renewable Technologies Limited	Capital issuance by Waaree Technologies Limited
Year of issue	2019	2021
Type of issue	Preferential issue	Preferential Issue
Amount of issue (in ₹ million)	199.80	85.00
Issue price (in ₹)	₹18.50 per equity share of face value of ₹ 10 each	₹12 per equity share of face value of ₹ 10 each
Date of closure of issue	April 12, 2019	August 11, 2021

Date of allotment and credit of securities to dematerialized account of investors	Allotment date: April 8, 2019 Date of credit of securities to dematerialized account of investors*: July 18, 2019	August 14, 2021
Date of completion of the project, where the object of the issue was financing the project	Not applicable. The objects of issue was general in nature including funding ongoing power projects or funding long term working capital or general corporate purposes or investment in subsidiaries etc. and the proceeds received have been utilised for said purposes	Project yet to commence
Rate of dividend paid	Not applicable	Not applicable

**Allotment was made to our Company.*

Price information of past issues handled by the BRLMs (during the current Fiscal and two Fiscals preceding the current Fiscal)

Track record of past issues handled by the BRLMs

1. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited*

Sr. No.	Issue Name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Ami Organics Limited	5,696.36	610.00	September 14, 2021	910.00	-	-	-
2	Chemplast Sanmar Limted	38,500.00	541.00	August 24, 2021	550.00	+2.06%, [+5.55%]	-	-
3	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	-5.91%, [+6.46%]	-	-
4	Cartrade Tech Limited	29,985.13	1,618.00	August 20, 2021	1,599.80	-10.31%, [+6.90%]	-	-
5	Clean Science And Technology Limited	15,466.22	900.00	July 19, 2021	1,755.00	+66.33%, [+5.47%]	-	-
6	India Pesticides Limited	8,000.00	296.00	July 5, 2021	350.00	+12.64%, [+1.87%]	-	-
7	Krishna Institute Of Medical Sciences Limited!	21,437.44	825.00	June 28, 2021	1,009.00	+48.10%, [-0.43%]	+48.35%, [+12.89%]	-
8	Dodla Dairy Limited	5,201.77	428.00	June 28, 2021	550.00	+44.94%, [-0.43%]	+40.02%, [+12.89%]	-
9	Shyam Metalics And Energy Limited@	9,085.50	306.00	June 24, 2021	380.00	+40.95%, [+0.42%]	+22.65%, [+11.22%]	-
10	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	-

Source: www.nseindia.com
@ Offer price was₹291.00 per equity share to eligible employees
! Offer price was₹785.00 per equity share to eligible employees

Notes:
a. *Issue size derived from prospectus/final post issue reports, as available.*
b. *The CNX NIFTY is considered as the Benchmark Index.*
c. *Price on NSE is considered for all of the above calculations.*
d. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022*	11	212,901.16	-	-	2	1	4	3	-	-	-	-	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

**The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by HSBC Securities and Capital Markets (India) Private Limited*

Sr. No.	Issue Name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	SBI Cards and Payment Services Limited	103,407.88	755.00	March 16, 2020	661.00	-33.05%,[-2.21%]	-21.79%,[+8.43%]	+12.5%,[+24.65%]
2	Yes Bank Limited	150,000.00	12.00	July 27, 2020	12.30	+22.92%,[+3.06%]	+10.83%,[+7.17%]	+41.67%,[+29.11%]
3	Indian Railway Finance Corporation Limited	46,333.79	26.00	January 29, 2021	24.90	-5.19%,[+6.56%]	-18.65%,[+9.02%]	-11.15%,[+15.49%]
4	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	*	*	*

**Data not available*
Source: www.nseindia.com

Notes:
a. Issue size derived from prospectus/final post issue reports, as available.
b. The CNX NIFTY is considered as the Benchmark Index.
c. Price on NSE is considered for all of the above calculations.
d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by HSBC Securities and Capital Markets (India) Private Limited

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	1	50,000.00	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	2	196,333.79	-	-	1	-	-	1	-	-	1	-	1	-
2019-20	1	103,407.88	-	1	-	-	-	-	-	-	-	-	-	1

The information for each of the financial years is based on issues listed during such financial year.
Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available

3. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited*

Sr. No.	Issue Name	Issue size (in ₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	+30.22%,[+5.21%]	+75.43%,[+10.89%]	NA*
2	Shyam Metalics and Energy Limited	9,087.97	306.00(2)	June 24, 2021	380.00	+40.95%,[+0.42%]	+22.65%,[+11.22%]	NA*
3	Dodla Dairy Limited	5,201.77	428.00	June 28, 2021	550.00	+44.94%,[-0.43%]	+40.02,[+12.89%]	NA*
4	G R Infraprojects Limited	9,623.34	837.00(3)	July 19, 2021	1,715.85	+90.82%,[+5.47%]	NA*	NA*
5	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	July 29, 2021	2,111.85	+92.54%,[+5.87%]	NA*	NA*
6	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	-5.91%,[+6.46%]	NA*	NA*
7	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	+2.06%,[+5.55%]	NA*	NA*
8	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	-2.82%,[+5.55%]	NA*	NA*
9	Vijaya Diagnostic Centre Limited	18,944.31	531.00(4)	September 14, 2021	540.00	NA*	NA*	NA*
10	Sansera Engineering Limited	12,825.20	744.00(5)	September 24, 2021	811.50	NA*	NA*	NA*

**Data not available*

(1) *Discount of Rs. 110 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 1,101.00 per equity share.*

(2) *Discount of Rs. 15 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 306.00 per equity share.*

(3) *Discount of Rs. 42 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 837.00 per equity share.*

(4) *Discount of Rs. 52 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 531.00 per equity share.*

(5) *Discount of Rs. 36 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 744.00 per equity share.*

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	8	1,70,213.60	-	-	-	2	3	-	-	-	-	-	-	-
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	-	2	4	3	2
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1

** This data covers issues upto YTD*

Notes:

1. *All data sourced from www.nseindia.com, except for Computer Age Management Services Limited for which the data is sourced from www.bseindia.com*
2. *Benchmark index considered is NIFTY*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day*

4. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Intensive Fiscal Services Private Limited*

Sr. No.	Issue Name	Issue size (in ₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Ami Organics Limited	5,696.36	610	September 14, 2021	910	-	-	-
2.	Chemcon Speciality Chemicals Limited	3,180.00	340	October 1, 2020	731	21.06% [+1.97%]	22.62% [+22.03]	18.81% [+27.07]

Notes:
a. Issue size derived from prospectus/final post issue reports, as available.
b. The CNX NIFTY is considered as the Benchmark Index.
c. Price on NSE is considered for all of the above calculations.
d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Intensive Fiscal Services Private Limited

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	1	5,696.36	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	1	3,180.00	-	-	-	-	-	1	-	-	-	-	-	1
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.

Website for track record of the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as set forth in the table below:

Name	Website
Axis Capital Limited	www.axiscapital.co.in
HSBC Securities and Capital Markets (India) Private Limited	https://www.business.hsbc.co.in/en-gb/in/generic/ipo-open-offer-and-buyback
ICICI Securities Limited	www.icicisecurities.com
Intensive Fiscal Services Private Limited	www.intensivefiscal.com

Stock Market Data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Redressal of Investor Grievances

SEBI, by way of its circular the March 2021 Circular and as amended by the June 2021 Circular has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. The Selling Shareholders have authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company has also appointed Kirankumar Jain, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information- Company Secretary and Compliance Officer*" on page 77. The Selling Shareholders have authorised Kirankumar Jain, the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective Offered Shares.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus.

Our listed subsidiary, Waaree Renewable Technologies Limited has received no investor complaints during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to Waaree Renewable Technologies Limited is pending as on the date of filing of this Draft Red Herring Prospectus. Waaree Renewable Technologies Limited estimates that the average time required by it or its registrar and transfer agent or the relevant Designated Intermediary, for the redressal of routine investor grievances is eight Working Days from the date of receipt of the complaint.

Further, as on date of this Draft Red Herring Prospectus, no investor complaints are pending against Waaree Technologies Limited, our listed Group Company. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Other confirmations

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VIII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered, transferred and Allotted pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue and an Offer for Sale by the Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer - Offer Expenses*" on page 105.

Ranking of the Equity Shares

The Equity Shares being Allotted in the Offer shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 411.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum and Articles, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted (including pursuant to the transfer of Equity Shares from the Offer for Sale) Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Description of Equity Shares and Terms of the Articles of Association"* on pages 234 and 411, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹10. The Floor Price of Equity Shares is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share. The Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●], and [●] editions of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, our Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting';
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 411.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements:

- Tripartite agreement dated August 27, 2021, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated August 25, 2021 amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Offer Structure – Bid/Offer Programme*" on page 382.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the Sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the

Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Bid/Offer Programme

BID/ OFFER OPENS ON*	**[●]**
BID/ OFFER CLOSES ON**	**[●]**^

**Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.*

***Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^UPI mandate end time and date shall be at [●] on [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account**	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

****In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended, pursuant to June 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.**

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs. While our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delays

in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying nonadherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST).

(ii) on the Bid/Offer Closing Date:

    (a) in case of Bids by Non-Institutional Investors, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

    (b) in case of Bids by Retail Individual Investors and Eligible Employees Bidding under the Employee Reservation Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision in Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/ Offer Opening Date.

Employee Discount

Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion, and, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid/Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after the Company becomes liable to pay the amount, the Company and our Director who are officers in default, shall pay interest at the rate of fifteen percent per annum.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids and Offer for Sale subsequently.

Under subscription, if any, in any category except the QIB portion, would be met with spill-over from the other categories at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholders and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the Promoter's Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 84 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Description of Equity Shares and Terms of the Articles of Association*" at page 411.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of RIIs using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) filing of the Prospectus with the RoC. If our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Managers, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹13,500 million by our Company and an Offer of Sale of up to 4,007,500 Equity Shares aggregating up to ₹[●] million by the Selling Shareholders. The Offer includes a reservation of up to [●] Equity Shares aggregating to ₹[●] million for subscription by Eligible Employees.

The Offer and the Net Offer will constitute [●]% and [●]%, respectively, of the post-Offer paid-up equity share capital of our Company.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Net Offer complying with Rule 19(2)(b) of the SCRR.

Particulars	**QIBs (1)**	**Non-Institutional Investors**	**Retail Individual Investors**	**Eligible Employees**
Number of Equity Shares available for Allotment/ allocation* (2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Investors	Up to [●] Equity Shares aggregating up to ₹[●] million
Percentage of Offer Size available for Allotment/ allocation	Not more than 50% of the Net Offer size shall be allocated to QIB Bidders. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Retail Individual Investors.	Not less than 35% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Non-Institutional Investors	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up equity share capital of our Company
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a	Proportionate	The allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Offer Procedure"* on page 389	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹200,000 up to ₹500,000 each

Particulars	QIBs [1]	Non-Institutional Investors	Retail Individual Investors	Eligible Employees
	discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price			
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹500,000, less Employee Discount, if any
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply[3]	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)	Eligible Employees such that the Bid Amount does not exceed ₹500,000

Particulars	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors	Eligible Employees
	Important Non-Banking Financial Companies.			
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process	Only through the ASBA process

* *Assuming full subscription in the Offer*

(1) *Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 389.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. For further details, please see "Terms of the Offer" on page 380.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

*Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and RIIs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020("**UPI Phase II**"). The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer will be made under UPI Phase II of the UPI Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide the March 2021 Circular has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 except as amended pursuant to June 2021 Circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.*

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Furthermore, up to [●] Equity Shares, aggregating up to ₹[●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, net of Employee Discount, if any.

Under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Promoter Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for Retail Individual Investors Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

Phased implementation of UPI for Bids by RIIs as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

(a) **Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

(b) **Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Under this phase, submission of the physical ASBA Form by an RII through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

(c) **Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the RIIs using the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered and Corporate Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Anchor Investor Application Forms will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and Retail Individual Investors Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA Account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Retail Individual Investors submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Investors with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. Retail Individual Investors Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. RIIs using UPI Mechanism, shall submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIIs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors	[●]
Eligible Employees Bidding in the Employee Reservation Portion	[●]

** Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).
(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.
(3) *Bid cum Application Forms for Eligible Employees shall be available at the Registered and Corporate Office of the Company.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by Retail Individual Investors Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For Retail Individual Investors using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such Retail Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIIs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being only offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by the Promoters, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoters, Promoter Group, BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLMs or its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the Lead Manager" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;

    (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and

    (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Offer Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) Neither the BRLMs or any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLMs) nor any "person related to the Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the General Information Document.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company and the Promoter Selling Shareholders in consultation with BRLMs reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident External Accounts ("**NRE Account**"), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities"* on page 409.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta". Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer equity share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for overseas direct investment and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company and the Promoter Selling Shareholders in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Promoter Selling Shareholders in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Promoter Selling Shareholders in consultation with the BRLMs, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with BRLMs reserve the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100.00 million.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company and the Selling Shareholders, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100.00 million; minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100.00 million but up to ₹2,500.00 million, subject to a minimum Allotment of ₹50.00 million per Anchor Investor; and in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs), nor any "person related to Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids. The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Bids by Eligible Employees

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (*i.e.* [●] colour form).

(b) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid amounting up to ₹200,000 (which will be less Employee Discount). In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹200,000, provided however that the maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000 (which will be less Employee Discount).

(c) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form.

(d) Only Eligible Employees (as defined in this Draft Red Herring Prospectus) would be eligible to apply in this Offer under the Employee Reservation Portion and the Bidder.

(e) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(f) Only those Bids, which are received at or above the Offer Price net of Employee Discount, if any, would be considered for Allotment under this category.

(g) Eligible Employees can apply at Cut-off Price.

(h) In case of joint bids, the First Bidder shall be an Eligible Employee.

(i) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(j) Eligible Employees bidding in the Employee Reservation Portion shall not Bid through the UPI mechanism.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Offer constituting 10% of the post-Offer share capital of our Company. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper, and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer Size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Retail Individual Investors using the UPI Mechanism must mention their correct UPI ID and shall use only his/her own bank account which is linked to such UPI ID;

4. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. Retail Individual Investors Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. RIIs using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;

10. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

15. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

17. Ensure that the Demographic Details are updated, true and correct in all respects;

18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
22. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

23. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

24. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

25. FPIs making multi investment manager Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such multi investment manager Bids shall be rejected;

26. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

27. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

28. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;

29. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

30. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;

31. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices, which are re-categorised as category II FPI and registered with SEBI, for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Category for allocation in the Offer;

32. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs; and

33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don’ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

6. Anchor Investors should not Bid through the ASBA process;

7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;

8. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;

9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

12. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;

14. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

15. If you are a RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID

16. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Investors) and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;

17. Do not submit the General Index Register (GIR) number instead of the PAN;

18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids until the Bid/Offer Closing Date;

21. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;

23. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

24. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

26. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;

27. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

28. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and

29. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the March 2021 Circular, see "*General Information – Book Running Lead Managers*" on page 77.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information*" on page 76.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIIs and Eligible Employees using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIIs and Eligible Employees using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form by the RIIs and Eligible Employees using third party bank accounts or using third party linked bank account UPI IDs;
7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Bids submitted without the signature of the First Bidder or Sole Bidder;
9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIIs or Eligible Employees with Bid Amount of a value of more than ₹200,000;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIIs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" on page 76.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the March 2021 Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the net offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated August 27, 2021, among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated August 25, 2021 among CDSL, our Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) our Company shall ensure compliance with all disclosure and accounting norms as may be specified by SEBI from time to time;

(ii) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(iii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iv) Promoters' contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

(v) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;

(vi) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(vii) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(viii) that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(ix) that if our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or any of the Selling Shareholders subsequently decides to proceed with the Offer thereafter;

(x) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(xi) that, except for (i) the Pre-IPO Placement and (ii) any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOP Scheme, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes the following in respect of itself and its respective portion of the Offered Shares:

(i) that its portion of the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

(ii) that it is the legal and beneficial owner of, and has clear and marketable title to, its portion of the Offered Shares;

(iii) that it shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of its portion of the Offered Shares;

(iv) that it shall not have recourse to the proceeds of the Offer for Sale of its portion of the Offered Shares which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and

(v) that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to its portion of the Offered Shares.

Utilisation of Offer Proceeds

Our Board certifies that:

- all monies received out of the Fresh Issue component of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;

- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: "*Any person who – (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*." The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years). Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Pursuant to the resolution dated September 1, 2021, the aggregate investment limit by NRIs and OCIs was increased from 10% to 24% of the paid-up equity share capital of our Company, provided however, that the shareholding of each NRI or OCI shall not exceed 5% of the total paid-up equity capital of our Company on a fully diluted basis and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis.

As per the FDI policy, FDI in companies engaged in the manufacturing sector is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see "*Offer Procedure*" on page 389. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in

offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

The regulations contained in Table "F" in Schedule I to the Companies Act, 2013 shall apply to Waaree Energies Limited (the "**Company**") only to the extent that the same are not specifically provided for in these Articles of Association and are not inconsistent with these Articles of Association. In case of any inconsistency of provisions contained in Table "F" in Schedule I to the Companies Act, 2013 and these Articles of Association, the provisions of these Articles of Association will prevail, subject to provisions of the Companies Act, 2013, read with the rules framed thereunder or other applicable laws, if any.

I. DEFINITIONS AND INTERPRETATION

1. In these Articles:

(i) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date on which the Articles become binding on the Company. In these Articles:

"**Act**" means Companies Act, 2013 and all rules, regulations, notifications, circulars and clarifications issued thereunder, along with any amendments, re-enactments or other statutory modifications thereof for the time being in force.

"**Annual General Meeting**" means the Annual General Meeting held in accordance with the provisions of Section 96 of the Act.

"**Articles**" means these Articles of Association of the Company as amended or altered from time to time in accordance with the Act.

"**Auditors**" shall mean and include those persons appointed under the provisions of the 'Act' or any other applicable provisions for the time being in force, as such for the time being by the Company.

"Beneficial Owner" means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996, as amended.
"**Board**" or "**Board of Directors**" means the board of Directors or collective body of the Directors of the Company as duly constituted from time to time in accordance with applicable provisions of Law, including the Act and SEBI Regulations and the terms of these Articles.

"Board Meeting" means a meeting of the Board duly called, constituted and held or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a resolution in accordance with these Articles and the Act.

"Company" – means Waaree Energies Limited.

"Chairman" or **"Chairperson"** means the chairperson of the Board of Directors for the time being of the Company or the person elected or appointed to preside over the Board or/and general meetings of the Company.

"**Depositories Act**" means the Depositories Act, 1996, as amended or any statutory modification or re-enactment thereof for the time being in force.

"**Depository**" means a depository as defined under clause (e) of sub-Section (1) of Section 2 of the Depositories Act.

"**Director**" means a director of the Board appointed or nominated from time to time in accordance with the terms of these Articles and the provisions of the Act.

"Documents" includes summons, notices, requisition, order, declaration, form and register, other legal process and registers, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

"**Equity Share Capital**" means in relation to the Company, its equity Share capital within the meaning of Section 43 of the Act, as amended from time to time.

"Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Companies Act, 2013.

"**General Meeting**" means any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary general meeting.

"**Independent Director**" shall have the meaning assigned to the said term under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (as applicable).

"**INR**" or "**Rs.**" means the Indian Rupee, the currency and legal tender of the Republic of India.

"**In writing" or "written"** means and includes words printed, lithographed, represented or reproduced in any other modes in a visible form, including electronic mode as provided in the Information Technology Act, 2000 as amended from time to time.

"**Law**" includes all Indian statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, circulars, notifications, guidelines, policies, directions, determinations, directives, writs, decrees, injunctions, judgments, rulings, awards, clarifications and other delegated legislations and orders of any governmental authority, statutory authority, tribunal, board, court, stock exchange or other judicial or quasi-judicial adjudicating authority and, if applicable, foreign law, international treaties, protocols and regulations.

"Managing Director" means a director who, by virtue of these Articles or an agreement with the Company or a resolution passed in the General Meeting, or by the Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

"**Members**" means members of the Company within the meaning of sub-Section 55 of Section 2 of the Act and the Beneficial Owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

"Memorandum" means the memorandum of association of the Company, as amended or altered from time to time in accordance with the provisions of the Act.

"**Ordinary Resolution**" shall have the meaning assigned to it in Section 114 of the Act.

"**Person**" means any individual, sole proprietorship, unincorporated association, unincorporated organization, association of persons, body corporate, corporation, partnership, unlimited or limited liability company, joint venture, governmental authority, Hindu undivided family, trust, union, organization or any other entity that may be treated as a person under applicable Law (whether registered or not and whether or not having separate legal personality).

"**Preference Share Capital**" means in relation to the Company, its preference Share capital within the meaning of Section 43 of the Act, as amended from time to time.

"**Registrar**" or "**ROC**" or "**Registrar of Companies**" means Registrar of Companies, under whose jurisdiction the registered office of the Company is situated.

"**Seal**" means the common seal, if any, of the Company.

"SEBI" means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992 and amendment made thereof.

"SEBI Regulations" means all the regulations, rules, circulars, notifications, orders, advisory including all forms of communication and amendments, modification or re-enactment to any thereof as applicable to the Company and issued by SEBI.

"Secretary" or **"Company Secretary"** shall have the meaning assigned to it in Section 2(24) of the Act.

"**Securities**" have the meaning assigned to the term in clause (h) of section 2 of the Securities Contract (Regulation) Act, 1956, as may be amended from time to time.

"**Shares**" means a share in the Share Capital of the Company and includes stock.

"**Share Capital**" means the Equity Share Capital and Preference Share Capital of any face value together with all rights, differential rights, obligations, title, interest and claim in such Shares and includes all subsequent issue of such Shares of whatever face value or description, bonus Shares, conversion Shares and Shares issued pursuant to a stock split or the exercise of any warrant, option or other convertible security of the Company.

"**Shareholder**" shall mean a Member of the Company.

"**Special Resolution**" shall have the meaning assigned to it in Section 114 of the Act.

"Tribunal" means the National Company Law Tribunal constituted under Section 408 of the Companies Act, 2013.

(ii) The headings hereto shall not affect the construction hereof.

(iii) Any reference to a particular statute or provisions of the statute shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires, include any statutory amendment, modification or re-enactment thereof.

(iv) Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.

(v) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(vi) In these Articles, words that are gender neutral or gender specific include each gender, as the context may require.

(vii) Words importing the singular number includes where the context admits or requires, the plural number and *vice versa*.

(viii) References to a person shall, where the context permits, include such person's respective successors, legal heirs and permitted assigns.

(ix) Wherever the words "include," "includes," or "including" are used in these Articles, such words shall be deemed to be followed by the words "without limitation".

(x) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the rules, the provisions of the Act and rules will prevail.

(xi) Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

II. PUBLIC COMPANY

2. The Company is a public company limited by shares within the meaning of the Act.

III. SHARE CAPITAL AND VARIATION OF RIGHTS

3. The authorized Share Capital of the Company shall be as set out in Clause V of the Memorandum of Association with the power to increase or reduce or re-classify such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the Shares in the Share Capital for the time being into Equity Share Capital

and Preference Share Capital, and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.

4. Subject to the provisions of the Act, these Articles and other applicable Law, the Shares for the time being shall be under the control of the Board, which may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion, on such terms and conditions, either at a premium or at par or at a discount (subject to compliance with Sections 52 and 53 and other provisions of the Act), at such time as it may from time to time deem fit, and with the sanction of the Company in a General Meeting, to give to any person or persons the option or right to call for any Shares, either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot Shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any Shares so allotted may be issued as fully paid-up Shares and if so issued, shall be deemed to be fully paid-up Shares. Provided that, the option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting. As regards all allotments, from time to time made, the Board shall duly comply with Sections 23 and 39 of the Act, as the case may be.

5. Subject to these Articles and the provisions of the Act, the Company may, from time to time, by Ordinary Resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.

6. Subject to the provisions of the Act, the Company may from time to time by Ordinary Resolution, undertake any of the following:

   (i) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares;

   (ii) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;

   (iii) sub-divide its Shares, or any of them, into Shares of smaller amount, such that the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; or

   (iv) cancel any Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any Person, and diminish the amount of its Share Capital by the amount of Shares so cancelled. A cancellation of Shares pursuant to this Article shall not be deemed to be a reduction of the Share Capital within the meaning of the Act.

7. Subject to the provisions of these Articles, the Act, other applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue any Shares with or without differential rights upon such terms and conditions and with such rights and privileges (including with regard to voting rights and dividend) as may be permitted by the Act or the applicable Law or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles

8. Subject to the provisions of these Articles, the Act, other applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue securities or shares as the case may be, on rights basis, preferential basis, private placement basis, under a scheme of employees' stock option and sweat equity shares, or in any other manner as may permitted under the Act and SEBI Regulations.

9. Subject to the provisions of the Act, any preference Shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by Special Resolution determine.

10. The period of redemption of such preference Shares shall not exceed the maximum period for redemption provided under the Act.

11. Where at any time, it is proposed to increase its subscribed Share Capital by the issuance/allotment of further Shares either out of the unissued Share Capital or increased authorised Share Capital:

(a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date, in accordance with applicable law;

(b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than such time, as required by applicable law, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;

(d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.

(e) Notwithstanding anything contained in Clause 11 (a) to (d), such further Shares may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (11) hereof) in any manner whatsoever, if so authorized by way of a Special Resolution.

Nothing in sub-clause (c) of (11) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

Such further Shares, as referred to in Article 11, may be offered to the persons who are:

(i) employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable Laws; or

(ii) any Persons, whether or not those Persons include the Persons referred to in (i) or (ii) above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer as required under applicable Law, subject to compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed, if a Special Resolution to this effect is passed by the Company in a General Meeting.

(iii) The notice referred to in Article above shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.

12. Nothing in Article 11 above shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company or to subscribe for Shares in the Company; *provided that* the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution adopted by the Company in a General Meeting.

13. Save as otherwise provided in the Articles, the Company shall be entitled to treat the registered holder of the Shares in records of the depository as the absolute owner thereof as regards receipt of dividend or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction, or as by Law required,

be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other Person.

14. Any Debentures, debenture-stock or other Securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a Special Resolution and subject to the provisions of the Act.

15. The Company shall, subject to the applicable provisions of the Act, compliance with all the Laws, consent of the Board, and consent of its Shareholders' by way of Special Resolution, have the power to issue American Depository Receipts or Global Depository Receipts on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of American Depository Receipts or Global Depository Receipts, including without limitation, exercise of voting rights in accordance with the directions of the Board.

16. If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate General Meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply.

17. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

18. Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

19. Subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act or any other Law for the time being in force, the Company shall have the power to buy-back its own Shares or other Securities, as it may consider necessary.

20. The Board of the Company may recommend an employee shares or security option scheme or plan from time to time.

21. Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable Laws.

22. The Company may from time to time by special resolution, subject to confirmation by the Tribunal and subject to the provisions of Sections 52 and 66 of the Companies Act, 2013 and other applicable provisions including applicable rules and SEBI Regulations, if any, reduce its share capital in any manner and in particular may –

(a) Extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or

(b) either with or without extinguishing or reducing the liability on any of its shares, -

(i) cancel any paid up share capital which is lost or is unrepresented by available assets;
(ii) Pay off any paid up share capital which is in excess of the wants of the Company.

Further, subject to the provisions of the Act, the Company may, from time to time, by Special Resolution and subject to confirmation by the Tribunal and subject to the provisions of Sections 52, 55 and 66 of the Companies Act, 2013 and other applicable provisions including applicable rules and SEBI Regulations, if any reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:

(i) the Share Capital;

(ii) any capital redemption reserve account; or

(iii) any securities premium account.

IV. NOMINATION BY SECURITIES HOLDERS

23. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

24. Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.

25. Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

26. Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

27. The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

V. BUY BACK OF SHARES

28. Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other securities, and the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals as required under the Act, SEBI Regulations or any other competent authority, as may be permitted by law.

VI. CAPITALISATION OF PROFITS

29. The Company in General Meeting may, upon the recommendation of the Board, resolve –

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in Article 30 below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

30. The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provision contained in

Article 31 below, either in or towards:

(i) paying of any amounts for the time being unpaid on any Shares held by such Members respectively; or

(ii) paying up in full, un-issued Shares of the company to be allotted and distributed, credited as fully paid, to and amongst such Members in the proportions aforesaid; or

(iii) partly in the way specified in Article 30(i) and partly in that specified in Article 30(ii);

(iv) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, only be applied in the paying up of un-issued Shares to be issued to Members of the Company as fully paid bonus Shares.

(v) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

31. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and

(ii) Generally do all acts and things required to give effect thereto.

32. The Board shall have power to:

(i) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or Debentures becoming distributable in fractions; and

(ii) authorise any Person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares.

33. Any agreement made under such authority shall be effective and binding on such Members.

VII. COMMISSION AND BROKERAGE

34. The Company may exercise the powers of paying commissions conferred by sub-section (6) of Section 40 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 or any other provision of the Act or other applicable Law, provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

35. The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules.

36. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.

37. The Company may also, on any issue of Shares or Debentures, pay such brokerage as may be lawful.

VIII. LIEN

38. The Company shall have a first and paramount lien upon all the Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition

that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures. Fully paid up Shares shall be free from all liens. Unless otherwise agreed, the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/ Debentures. In case of partly-paid Shares, Company's lien shall be restricted to the monies called or payable at a fixed time in respect of such Shares. Provided that the Board may at any time declare any Shares/ Debentures wholly or in part to be exempt from the provisions of this Article.

39. Subject to the provisions of the Act, the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien. *Provided that* no sale shall be made -

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

40. A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.

41. (i) To give effect to any such sale, the Board may authorise some Person to transfer the Shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

42. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the Person entitled to the Shares at the date of the sale.

IX. CALLS ON SHARES

43. Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call.

44. Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.

45. A call may be revoked or postponed at the discretion of the Board.

46. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

47. The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

48. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10% (ten per cent) per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

49. Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

50. The Board may, if it thinks fit, subject to the provisions of the Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at twelve per cent per annum. *Provided that* money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to any calls on Debentures of the Company.

X. DEMATERIALIZATION OF SECURITIES

51. The Company shall be entitled to treat the Person whose name appears on the register of Members as the holder of any Share or whose name appears as the Beneficial Owner of Shares in the records of the Depository, as the absolute owner thereof.

Provided however that provisions of the Act or these Articles relating to distinctive numbering shall not apply to the Shares of the Company, which have been dematerialized.

52. Notwithstanding anything contained herein but subject to the provisions of Law, the Company shall be entitled to dematerialize its Shares, Debentures and other Securities pursuant to the Depositories Act and offer its Shares, Debentures and other Securities for subscription in a dematerialized form. The Company shall be further entitled to maintain a register of Members with the details of Members holding Shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.

53. If a Person opts to hold his Securities in dematerialised form through a Depository, then notwithstanding anything to the contrary contained in these Articles the Company shall intimate such Depository the details of allotment of the Securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

54. All Securities held by a Depository shall be dematerialized and shall be in a fungible form.

(i) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Securities as the registered owner of the Securities shall not have any voting rights or any other rights in respect of Securities held by it.

55. Every Person holding Shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of the Company. The Beneficial Owner of the Shares shall, in accordance with the provisions of these Articles and the Act, be entitled to all the liabilities in respect of his Shares which are held by a Depository.

56. Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.

57. In the case of transfer of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

XI. TRANSFER OF SECURITIES

58. The Securities or other interest of any Member shall be freely transferable, *provided that* any contract or arrangement between 2 (two) or more Persons in respect of transfer of Securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and shall be executed by or on behalf of both the transferor and transferee and shall be in conformity with all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being and the applicable SEBI Regulations shall be duly complied with in respect of all transfers of Shares and the registration thereof.

59. Where Shares are converted into stock:

(i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; *Provided that* the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

(iii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

60. Save as otherwise provided in the Act or any applicable Law, no transfer of a Share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates of Shares, and if no such certificate is in existence, then the letter of allotment of the Shares. Application for the registration of the transfer of a Share may be made either by the transferor or by the transferee *provided that* where such application is made by the transferor, no registration shall, in the case of a partly paid Share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 (two) weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. On giving not less than 7 (seven) days previous notice in accordance with the Act or any other time period as may be specified by Law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, *provided that* such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty five) days in the aggregate in any year.

61. Subject to the provisions of the Act, these Articles, the Securities Contracts (Regulation) Act, 1956, as amended, any listing agreement entered into with any recognized stock exchange and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. *Provided that* the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons

indebted to the Company on any account whatsoever except where the Company has a lien on Shares or other securities.

62. Only fully paid Shares or Debentures shall be transferred to a minor acting through his/her legal or natural guardian. Under no circumstances, Shares or Debentures be transferred to any insolvent or a person of unsound mind.

63. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

64. The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register—
   (i) the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or
   (ii) any transfer of Shares on which the company has a lien.

65. The Board may decline to recognize any instrument of transfer unless—
   (i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;
   (ii) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
   (iii) the instrument of transfer is in respect of only one class of Shares

66. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents.

67. The Company may close the register of Members or the register of debenture-holders or the register of other security holders for any period or periods not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any one time, subject to giving of previous notice of at least 7 (seven days) or such lesser period as may be specified by SEBI.

XII. TRANSMISSION OF SHARES

68. On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only Person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in this Article shall release the estate of the deceased joint holder from any liability in respect of any Share which had been jointly held by him with other Persons.

69. Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:

   (i) to be registered as holder of the Share; or

   (ii) to make such transfer of the Share as the deceased or insolvent Member could have made.

   All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

70. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.

71. If the Person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

72. If the Person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.

73. A Person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, provided that the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.

XIII. FORFEITURE OF SHARES

74. If a Member fails to pay any call, or instalment of a call or any part thereof, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

75. The notice issued under Article 74 shall:

(i) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.

76. If the requirements of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

77. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

78. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

79. A Person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the Person to the Company in respect of the Shares.

80. The liability of such Person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

81. A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Person claiming to be entitled to the Share.

82. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the Share is sold or otherwise disposed of.

83. The transferee shall there upon be registered as the holder of the Share.

84. The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

85. The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which,

by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.

XIV. SHARES AND SHARE CERTIFICATES

86. The Company shall cause to be kept a register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a "foreign register" of Members or Debenture holders resident in that country.

87. A Person subscribing to Shares of the Company shall have the option either to receive certificates for such Shares or hold the Shares with a Depository in electronic form. Where Person opts to hold any Share with the Depository, the Company shall intimate such Depository of details of allotment of the Shares to enable the Depository to enter in its records the name of such Person as the Beneficial Owner of such Shares. Where a Person opts to hold any Share with the Depository, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof. Such a Person who is the Beneficial Owner of the Shares can at any time opt-out of a Depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of Shares.

88. Unless the Shares have been issued in dematerialized form, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be or within a period of six months from the date of allotment in the case of any allotment of Debenture or within such other period as the conditions of issue shall be provided –

(i) one certificate for all his Shares without payment of any charges; or
(ii) several certificates, each for one or more of his Shares, upon payment of twenty rupees for each certificate after the first.

89. Every certificate of Shares shall be under the seal of the Company, if any, and shall specify the number and distinctive numbers of Shares to which it relates and amount paid-up thereon and shall be signed by two Directors or by a Director and the Company Secretary. The common seal shall be affixed in the presence of the persons required to sign the certificate. Further, out of the two Directors there shall be at least one director other than managing or whole-time director, where the composition of the Board so permits. *Provided that* in respect of a Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share to one of several joint-holders shall be sufficient delivery to all such holders.

90. If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members of the Company shall as regards voting at General Meetings, service of notice and all or any matters connected with the Company, except the transfer of Shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares and for all incidents thereof according to these Articles.

91. The Board may subject to the provisions of the Act, accept from any member on such terms and conditions as they think fit, a surrender of his Shares or stock or any part thereof.

92. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fee if the Board so decides, or on payment of such fee (not exceeding ₹20 for each certificate) as the Directors shall prescribe. *Provided that* no fee shall be

charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulations and requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other act or rules applicable in this behalf.

The provisions of this Article shall *mutatis mutandis* apply to issue of certificates for any other Securities, including Debentures, of the Company.

93. Subject to the provisions of Section 89 of the Act, a Person whose name is entered in the register of Members of the Company as the holder of the Shares but who does not hold the beneficial interest in such Shares shall file with the Company, a declaration to that effect in the form prescribed under the Act and the Company shall make necessary filings with the Registrar as may be required, within a prescribed period as set out in the Act and the rules framed thereunder.

94. Subject to provisions of Section 90 of the Act, every individual, who acting alone or together, or through one or more persons or trust, including a trust and Persons resident outside India, holds beneficial interests, of not less than twenty-five per cent. or such other percentage as may be prescribed under the Act, in Shares of the Company or the right to exercise, or the actual exercising of significant influence or control as defined in clause (*27*) of Section 2 of the Act, over the Company shall make a declaration to the Company, specifying the nature of his interest and other particulars, in such manner and within such period of acquisition of the beneficial interest or rights and any change thereof. The Company shall maintain a register of the interest declared by such individuals and changes therein which shall include the name of individual, his date of birth, address, details of ownership in the company and such other details as may be prescribed under the Act.

95. Notwithstanding anything contained hereinabove, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law of such member in the event of death of the said member/s subject to the provisions of the Companies Act, 2013, and other applicable laws.

XV. SHAREHOLDERS' MEETINGS

96. An Annual General Meeting shall be held each year within the period specified by the Law. Not more than 15 (fifteen) months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours on a day that is not a national holiday (declared as such by the Central Government), and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine. Every Member of the Company shall be entitled to attend every General Meeting either in person or by proxy.

97. All notices of, and other communications relating to, any General Meeting shall be forwarded to the auditor of the Company, and the auditor shall, unless otherwise exempted by the Company, attend either by himself or through his authorised representative, who shall also be qualified to be an auditor, any General meeting and shall have right to be heard at such meeting on any part of the business which concerns him as the auditor.

98. All General Meetings other than the Annual General Meeting shall be called extraordinary General Meetings.

99. Subject to the provisions of the Act, the business of an Annual General Meeting shall be the consideration of financial statements and the reports of the Board of Directors and auditors; the declaration of any dividend; the appointment of Directors in place of those retiring; the appointment of, and the fixing of the remuneration of, the auditors; in the case of any other meeting, all business shall be deemed to be special.

100. No business shall be discussed at any General Meeting except election of a Chairperson while the chair is vacant.

101. (i) The Board may, whenever it thinks fit, call an extraordinary General Meeting.

(ii) The Board shall on the requisition of such number of Member or Members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

(iii) A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic mode in such manner as prescribed under the Act, *provided that* a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode (a) in the case of an Annual General Meeting, by not less than 95% (ninety-five percent) of the members entitled to vote thereat; and (b) in the case of any other General Meeting, by majority in number of members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up Share Capital of the Company as gives a right to vote at such General Meeting. Provided that where any Member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those Members shall be taken into account for the purposes of this Article in respect of the former resolution or resolutions and not in respect of the latter.

(iv) Notice of every General Meeting shall be given to the Members and to such other Person or Persons as required by and in accordance with Sections 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

(v) Any accidental omission to give notice to, or the non-receipt of such notice by, any Member or other Person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

(vi) Subject to the provisions contained under Section 115 of the Act, where, by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move such resolution shall be given to the Company by such number of Members holding not less than one per cent of total voting power or holding Shares on which such aggregate sum not exceeding five lakh rupees, has been paid-up and the Company shall immediately after receipt of the notice, give its members notice of the resolution at least 7 (seven) days before the meeting, exclusive of the day of dispatch of notice and day of the meeting, in the same manner as it gives notice of any General Meetings.

XVI. PROCEEDINGS AT SHAREHOLDERS' MEETINGS

102. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting.

103. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

104. No business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business.

105. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.

106. In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later or to such other date and such other time and place as the Board may determine, *provided that* the agenda for such adjourned General Meeting shall remain the same. The said General Meeting if called by requisitionists under Section 100 of the Act shall stand cancelled.

107. In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

108. The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting.

109. If at the adjourned meeting also a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.

110. The Chairperson may, with the consent of Members at any meeting at which a quorum is present, and shall, if so directed at the meeting, adjourn the meeting, from time to time and from place to place.

111. No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the meeting from which the adjournment took place.

112. When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

113. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

114. Before or on the declaration of the results of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairperson of the meeting on his/her own motion and shall be ordered to be taken by him/her on a demand made in accordance with Section 109 of the Act.

115. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

116. Notwithstanding anything contained elsewhere in these Articles, the Company:

(i) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable Law required to be transacted only by means of postal ballot; and

(ii) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or auditors have a right to be heard at any meeting, transact by means of postal ballot,

in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Members by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.

117. Directors may attend and speak at General Meetings, whether or not they are Shareholders.

118. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act and the Articles.

119. The Chairperson of the Board of Directors or in his absence the vice-Chairperson of the Board shall, preside as chairperson at every General Meeting, annual or extraordinary.

XVII. VOTES OF MEMBERS

120. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

(i) on a show of hands, every member present in person shall have one vote; and
(ii) on a poll, the voting rights of Members shall be in proportion to their Share in the paid-up Share Capital.

121. In the case of an equality of votes, the Chairman shall, on a poll (if any) have casting vote in addition to the vote or votes to which he may be entitled as a member.

122. A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment become presently payable.

123. No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien or which have been transferred to IEPF.

124. At any General Meeting, a resolution put to vote of the meeting shall be decided as per the provisions of the Act and applicable SEBI Regulations, unless a poll is (before or on the declaration of the result of the voting on any resolution on show of hands) demanded by any Member or Members present in Person or by proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than ₹5,00,000 (Rupees five lakh) or such higher amount as may be prescribed has been paid up.

125. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

126. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

127. In case of joint holders, the vote of the senior who tenders a vote, whether in Person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the register of Members of the Company.

128. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

129. No Member shall be entitled to exercise any voting rights either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid.

130. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meetings at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by proxy or otherwise shall be deemed valid for all purpose. Any such objection made in due time shall be referred to the Chairperson of the General Meeting whose decision shall be final and conclusive.

131. A declaration by the Chairperson of the meeting of the passing of a resolution or otherwise by show of hands and an entry to that effect in the books containing the minutes of the meeting of the Company shall be conclusive evidence of the fact of passing of such resolution or otherwise.

132. Any poll duly demanded on the question of adjournment shall be taken forthwith. A poll demanded on any other question (not being a question relating to the election of a Chairperson or adjournment of the meeting) shall be taken at such time not exceeding 48 hours from the time when the demand was made, as the Chairperson may direct.

133. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question of which a poll has been demanded.

134. Where a poll is to be taken, the Chairperson of the meeting shall appoint two scrutinisers to scrutinise the votes given on the poll and to report thereon to him/her in accordance with Section 109 of the Act.

135. The Chairperson shall have power, at any time before the result of the poll is declared to remove a scrutiniser from office and to fill vacancies in the office of scrutiniser arising from such removal or from any other cause.

136. The Chairperson of the meeting shall have power to regulate the manner in which a poll shall be taken.

137. The result of the poll shall be deemed to be decision of the meeting on the resolution on which the poll was taken.

138. The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting.

139. On a poll taken at meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

140. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

141. At every Annual General Meeting of the Company, there shall be laid on the table the Directors' report, audited statements of accounts, auditor's report (if not already, incorporated in the audited statements of accounts), the proxy register with proxies and the register of Directors' holdings.

142. A body corporate (whether a company within the meaning of the Act or not) may,

(a) if it is member of the Company by a resolution of its board of directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company;

(b) if it is a creditor, (including a holder of debentures of the Company) by a resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.

A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.

XVIII. PROXY

143. Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the proxy so appointed shall have no right to speak at the meeting.

144. The proxy shall not be entitled to vote except on a poll.

145. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the Person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

146. An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

147. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given; *provided that* no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the proxy is used.

XIX. DIRECTORS

148. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not restricted by the Act or by these Articles.

149. Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), *provided that* the Company may appoint more than 15 (fifteen) directors after passing a Special Resolution. At least one Director shall reside in India for a total period of not less than 182 (one hundred and eighty-two) days or for such number of days as may be notified by the Government from time to time in each Financial Year.

150. The Directors need not hold any qualification Shares in the Company.

151. Subject to the provisions of the Act, each Director shall be paid sitting fees for each meeting of the Board or a Committee thereof attended by him, subject to the ceiling prescribed under the Act and other applicable Law.

152. The Directors shall also be paid travelling and other expenses for attending and returning from meeting of the Board of Directors (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company, in accordance with the provisions of the Act.

153. Subject to the applicable provisions of the Act and Law, if any Director, being willing shall be called upon to perform extra services for the purposes of the Company, the Company shall remunerate such Director by such fixed sum or percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration provided above.

154. Subject to the provisions of Section 197 and the other applicable provisions of the Act, the remuneration of Directors may be fixed at a particular sum or a percentage of the net profits or partly by one way and partly by the other.

155. In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an "**Original Director**"), subject to these Articles, the Board may appoint another person (an "**Alternate Director**"), not being a person holding any alternate directorship for any other Director or holding directorship in the Company, for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. No Person shall be appointed as an Alternate Director to an Independent Director unless such Person is qualified to be appointed as an Independent Director of the Company. Any Person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

156. The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing to the Company and the Board shall on receipt of such notice take note of the same and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following General Meeting. Such Director may also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar

within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.

157. Not less than two-thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Articles or the Act, be appointed by the Company in General Meeting.

158. Subject to the provisions Section 169(5) and 169(6) of the Act, at every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three the number nearest to one-third, shall retire from office. The Independent Directors and Managing Director (till such person's term ends as per applicable law or term of appointment) shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "**Retiring Director**" means a Director retiring by rotation.

159. The Directors who retire by rotation under Article 158 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

160. At any Annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the Retiring Director who is eligible for re-election or some other Person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act.

161. No Person shall be appointed as a Director unless he furnishes to the Company his Director Identification Number under Section 154 of the Act or any other number as may be prescribed under Section 153 of the Act and a declaration that he is not disqualified to become a Director under the Act.

162. No Person appointed as a Director shall act as a Director unless he gives his consent to hold the office as a Director and such consent has been filed with the Registrar within 30 (thirty) days of his appointment in the manner prescribed in the Act.

163. Subject to the provisions of the Act, the Directors shall have the power, at any time and from time to time to appoint any Persons as additional Director in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Director so appointed shall hold office only until the next following Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re-appointment as Director.

164. The Company, may by Ordinary Resolution, of which special notice has been given in accordance with the Section 169 of the Act, remove any Director including the Managing Director, if any, before the expiration of the period of his office. Notwithstanding anything contained in these Articles or in any agreement between the Company and such Director, such removal shall be without prejudice to any contract of service between him and the Company.

165. If the office of any Director appointed by the Company in General Meeting, is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any Person so appointed shall retain his office so long only as the vacating Director would have retained the same if such vacancy had not occurred.

166. In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source, while any money remains due to them or any of them the lender concerned may have and may exercise the right and power to appoint, from time to time, any Person or Persons to be a Director or Directors of the Company and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act and as permitted under applicable Law. Any Person so appointed may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of Person, appoint any other or others in his place. Any such

appointment or removal shall be in writing, signed by the appointee and served on the Company. Such Director need not hold any qualification Shares.

167. The Company may, subject to the provisions of the Act and Law, take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

XX. MANAGING DIRECTOR OR WHOLE TIME DIRECTOR

168. The Board may, from time to time, subject to Section 196 and other applicable provisions of the Act, appoint one or more of their body to the office of the managing director or whole time Director for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment.

169. Subject to the provisions of any contract between him and the Company, the managing director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and his appointment shall automatically terminate if he ceases to be a Director.

170. Subject to the provisions of the Act, a Managing Director or whole time Director may be paid such remuneration (whether by way of salary, commission or participation in profits or partly in one way and party in other) as the Board may determine subject to the approval of the Shareholders at the next General Meeting and as per the applicable provisions of the Act and SEBI Regulations.

171. The Board, subject to Section 179 and any other applicable provisions of the Act, may entrust to and confer upon a Managing Director or whole time Director any of the powers exercisable by them upon such terms and conditions and with such transfers, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

XXI. MEETINGS OF THE BOARD

172. The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit, subject to the provisions of the Act and applicable SEBI Regulations.

173. A Director may, and the manager or the Secretary of the Company upon the requisition of a Director shall, at any time convene a meeting of the Board, subject to the provisions of the Act.

174. Subject to the provisions the Act, the Board shall meet at least 4 (four) times in a year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board.

175. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purpose of quorum. *Provided that* where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.

176. The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.

177. If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) Persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

178. Subject to the provisions of the Act allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.

179. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

180. The Board may elect a Chairperson for its meetings and determine the period for which he is to hold office. The Board may likewise appoint a vice-chairman of the Board of Directors to preside over the meeting at which the chairman shall not be present. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their member to be Chairperson of the meeting.

181. In case of equality of votes, the Chairperson of the Board shall decide unanimously at Board meetings of the Company.

182. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit.

183. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board and applicable under Law.

184. A committee may elect a chairperson of its meetings and may also determine the period for which he is to hold office. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting.

185. A committee may meet and adjourn as it thinks fit.

186. Questions arising at any meeting of a committee shall be determined by a majority of votes of the Directors present. The chairperson of the committee, if any, shall not have any second or casting vote.

187. Subject to these Articles and Sections 175, 179 and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of the Committee, shall constitute a valid decision of the Board or committee thereof, as the case may be, *provided that* a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

188. All acts done in any meeting of the Board or of a committee thereof or by any Person acting as a Director shall, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect for disqualification or had terminated by virtue of any provisions contained in the Act, or in these Articles, be as valid as if every such Director or such Person had been duly appointed and was qualified to be a Director.

189. Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company, nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established; *provided that* every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not be counted for the purposes of forming a quorum at the time of such discussion or vote.

XXII. POWERS OF THE DIRECTORS

190. The Directors shall have powers for the engagement and dismissal of managers, engineers, clerks and assistants and shall have power of general directions, management and superintendence of the business of the Company with full power or do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company and to make and sign all such contracts, and other government papers and instruments that shall be necessary, proper or expedient, for the authority and direction of the Company except only such of them as by the Act or by these Articles are expressly directed to be exercised by the Members in the General Meeting.

191. Subject to Section 179 of the Act, the Directors shall have the right to delegate any of their powers covered under Section 179(3)(d) to Section 179(3)(f) to any committee of the Board, managers, or any other principal officer of the Company as they may deem fit and may at their own discretion revoke such powers.

192. The Board of Directors shall, or shall authorize Persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable Law, as may be required from time to time.

193. Subject to the provisions of the Act, these Articles and other applicable provisions of Law, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; *provided that* the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

194. Subject to the provisions of the Act and any other applicable Law for the time being in force, the Directors shall have the power, from time to time and at their discretion, to borrow, raise or secure the payment of any sum of money for and on behalf of the Company in such manner and upon such terms and conditions in all respects as they think fit and through the issue of Debentures or bonds of the Company or by mortgage or charge upon all or any of the properties of the Company both present and future including its uncalled capital then available.

195. The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, *hundies* and bills or may authorise any other Person or Persons to exercise such powers.

196. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

XXIII. SPECIAL NOTICE

197. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one percent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up and the Company shall give its members notice of the resolution in such manner as may be prescribed.

XXIV. BORROWING POWERS

198. Subject to the provisions of the Act and these Articles the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable Debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and Securities of the Company or by other means as the Board deems expedient.

199. The Board of Directors shall not except with the consent of the Company by way of a Special Resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid-up Share Capital, free reserves and securities premium of the Company.

XXV. DIVIDEND AND RESERVES

200. The Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

201. Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

202. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

203. Subject to the rights of Persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.

204. No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share.

205. All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.

206. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares.

207. Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque, demand draft or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such Person and to such address as the holder or joint holders may in writing direct.

208. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent.

209. Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share.

210. Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the Persons entitled to Share therein in the manner mentioned in the Act.

211. No dividend shall bear interest against the Company.

212. A Shareholder can waive/forgo the right to receive the dividend (either final and/or interim) to which he is entitled, on some or all the Shares held by him in the Company. However, the Shareholder cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on Share(s).

213. Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any Shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the 'Unpaid Dividend Account'.

214. Any money transferred to the 'Unpaid Dividend Account' of a company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under Section 125 of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

215. All Shares in respect of which the Dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as may be prescribed. Provided that any claimant of Shares so transferred shall be entitled to claim the transfer of Shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be prescribed.

216. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company.

XXVI. INSPECTION OF ACCOUNTS

217. (i) The Board shall cause proper books of account to be maintained under Section 128 and other applicable provisions of the Act.

(ii) The Board shall, from time to time, in accordance with the Act, determine whether and to what extent and at what times and places and under what conditions or regulations all books of the Company or any of them, shall be open to the inspection of Members not being Directors.

(iii) No Member (not being a Director) or other Person shall have any right of inspecting any account book or document of the Company except as conferred by Law or authorised by the Board or by the Company in General Meetings.

(iv) Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company.

XXVII. DOCUMENTS AND NOTICES

218. Service of documents or notices on members by the Company

1. A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it at his registered address or if he has no registered address in India, to the address if any, within India supplied by him to the Company for serving documents or notice on him or by means of such electronic or other mode as may be prescribed under the Act.

2. A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.

3. A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.

4. The signature to any document or notice to be given by the Company may be written or printed or lithographed, facsimile or through digital means.

5. Document or notice of every general meeting shall be served or given in the same manner hereinbefore authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company d) any other person or authority as may be applicable under the Act or SEBI Regulations.

6. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed. Provided that where securities are held with a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic or other mode.

XXVIII.REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY

219. The Company shall keep and maintain registers, books and Documents as required by the Act or these Articles, including the following:

(1) Register of Investments made by the Company but not held in its own name, as required by Section 187(3) of the Act, and shall keep it open for inspection by any member or debenture holder of the Company without charge.

(2) Register of Charges and copies of instrument creating any charge requiring registration according to Section 85 of the Act, and shall keep them open for inspection by any creditor or member of the Company without fee and for inspection by any person on payment of a fee of rupee ten for each inspection.

(3) Register and Index of Members as required by Section 88 of the Act, and shall keep the same open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or Beneficial Owner without payment of fee and by any other person on payment of a fee of rupees fifty for each inspection.

(4) Register and Index of Debenture Holders or Security Holders under Section 88 of the Act, and keep it open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of rupees fifty for each inspection.

(5) Foreign Register, if so thought fit, as required by Section 88 of the Act, and it shall be open for inspection and may be closed and extracts may be taken therefrom and copies thereof as maybe required in the manner, mutatis mutandis, as is applicable to the Principal Register.

(6) Register of Contracts with related parties and companies and firms etc. in which Directors are interested as required by Section 189 of the Act, and shall keep it open for inspection at the registered office of the Company during business hours by any member of the Company. The Company shall provide extracts from such register to a member of the Company on his request, within seven days from the date on which such request is made upon the payment of fee of ten rupees per page.

(7) Register of Directors and Key Managerial Personnel etc., as required by Section 170 of the Act and shall keep it open for inspection during business hours and the members of the Company shall have

a right to take extracts therefrom and copies thereof, on a request by the members, be provided to them free of cost within thirty days. Such register shall also be kept open for inspection at every annual general meeting of the Company and shall be made accessible to any person attending the meeting.

(8) Register of Loans, Guarantee, Security and Acquisition made by the Company as required by Section186 (9) of the Act. The extracts from such register may be furnished to any member of the Company on payment of fees of ten rupees for each page.

(9) Books recording minutes of all proceedings of meetings in accordance with the provisions of Section 118 of the Act.

(10) Copies of Annual Returns prepared under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto.

Provided that any member, debenture holder, security holder or Beneficial Owner or any other person may require a copy of any such register referred to sub-clause (3), (4) or (5), or the entries therein or the copies of annual returns referred to in this sub-clause (10) on payment of a fee of ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.

XXIX. COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS

220. The Company shall subject to the payment of the fee prescribed under Section 17 of the Act, or its statutory modification for the time being in force, on being so required by a member, send to him with seven days of the requirement, a copy of each of the following documents as in force for the time being.
(a) The Memorandum,
(b) The Articles, and
(c) Every agreement and every resolution referred to in sub-section (1) of Section 117 of the Act, if and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

XXX. SECRECY

221. Every manager, auditor, trustee, member of a Committee, officer, servant, agent, accountant or other Persons employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all *bona fide* transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any General Meeting or by the Law of the country and except so far as may be necessary in order to comply with any of the provisions in these Articles, the provisions of the Act and the Law.

XXXI. DIRECTOR, OFFICER NOT RESPONSIBLE FOR ACTS OF OTHERS

222. Subject to the provisions of Section 197 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damages arising from insolvency or tortuous act of any person, firm or company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

XXXII. WINDING UP

223. The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016, as amended (to the extent applicable).

XXXIII. THE SEAL

224. (i) The Board shall provide for the safe custody of the seal, if any, of the Company.

(ii) The seal shall not be affixed to any instrument except by the authority of resolution of the Board or a committee of the Board authorised by it in that behalf, and except in the presence of at least 1 (one) Director or Company Secretary or any other official of the Company as the Board may decide and that 1 (one) Director or Company Secretary or such official shall sign every instrument to which the Seal of the Company is so affixed in their presence. The Share certificates will, however, be signed and sealed in accordance with Rule 5 of the Companies (Share Capital and Debentures) Rules, 2014, as amended.

XXXIV. AUDIT

225. Subject to the provisions of the Act, the Company shall appoint an auditor at an Annual General Meeting to hold office from the conclusion of that Annual General Meeting until a continuous period of five years or such time as permitted under the Act and Law, and every auditor so appointed shall be informed of his appointment.

226. The Directors may fill up any casual vacancy in the office of the auditors within 30 (thirty) days subject to the provisions of Sections 139 and 140 of the Act and the rules framed thereunder.

227. The remuneration of the auditors shall be fixed by the Company in the Annual General Meeting or in such manner as the Company may in the General Meeting determine.

XXXV. NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION

228. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director; it would be inexpedient in the interest of the Company to disclose.

XXXVI. UNDERWRITING

229. Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at any time pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures or debenture stock in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half percent of the price at which the debentures are issued. Such commission shall be paid either out of the proceeds of the issue or the profit of the Company or both. Subject to the provisions of the Act, any commission payable as aforesaid may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other.

XXXVII. GENERAL AUTHORITY

230. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company cannot carry out any transaction unless the Company is so authorized by its Articles then in that case, these Articles hereby authorize and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

XXXVIII. INDEMNITY

231. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the National Company Law Tribunal.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer agreement dated September 28, 2021 entered into between our Company, the Selling Shareholders and the BRLMs.

2. Registrar agreement dated September 16, 2021 entered into between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash escrow and sponsor bank agreement dated [●] entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, Syndicate Members and the Banker(s) to the Offer.

4. Share escrow agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate agreement dated [●] entered into between our Company, the Selling Shareholders, the BRLMs, Registrar to the Offer and the Syndicate Members.

6. Underwriting agreement dated [●] entered into between our Company, the Selling Shareholders, and the Underwriters.

7. Monitoring Agency Agreement dated [●] between our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association as amended from time to time.

2. Certificate of incorporation dated December 18, 1990.

3. Fresh certificate of incorporation pursuant to change in name dated April 25, 2007.

4. Fresh certificate of incorporation pursuant to change in name dated October 15, 2007.

5. Fresh certificate of incorporation pursuant to change in name dated December 12, 2007.

6. Fresh certificate of incorporation consequent upon conversion to public limited company dated May 2, 2013.

7. Resolution of the Board of Directors dated August 6, 2021 and resolution of the Shareholders dated September 1, 2021 in relation to the Offer and other related matters.

8. Copy of the ESOP Scheme.

9. Resolution of the Board of Directors dated September 28, 2021 approving this Draft Red Herring Prospectus.

10. Consent letters each dated September 15, 2021 from the Selling Shareholders in relation to the Offer for Sale.

11. Board resolution dated September 14, 2021 from Mahavir Thermoequip Private Limited in relation to the Offer for Sale.

12. Consent letter dated September 16, 2021 from CRISIL to rely on and reproduce part or whole of the CRISIL Report and include their name in this Draft Red Herring Prospectus.

13. Written consent dated September 18, 2021 from Shah Gupta & Co, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 17, 2021 on our Restated Consolidated Financial Statements; and (ii) their report dated September 18, 2021 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this DRHP. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

14. Written consent dated September 19, 2021 from Oriens Advisors LLP, independent project consultants, to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the Project Reports. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

15. Written consent dated September 16, 2021 from Mohanlal R. Prajapati, Chartered Engineer, as chartered engineer to include his name, as required under Section 26 of the Companies Act, 2013, in this Draft Red Herring Prospectus and as an 'expert' under Section 2(38) of Companies Act, 2013 in respect of the certificate dated September 16, 2021. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

16. The examination report dated September 17, 2021 of the Statutory Auditors on our Restated Consolidated Financial Statements.

17. The report on the statement of special tax benefits dated September 18, 2021 from the Statutory Auditors.

18. Report titled "*Solar Power Market in India*" dated September 2021 prepared by CRISIL.

19. Copies of annual reports of our Company for the Fiscals 2021, 2020 and 2019.

20. Consent of the Directors, BRLMs, Syndicate Members, the legal counsels appointed for the Offer, Registrar to the Offer, Banker(s) to the Offer, Bankers to our Company, Company Secretary and Compliance Officer, Monitoring Agency, Project Consultant and the Chartered Engineer as referred to in their specific capacities.

21. Technology tie-up agreement dated August 5, 2020 entered into between our Company and Azure.

22. Joint venture agreement dated January 6, 2020 entered into between our Company, Waaree Power Private Limited and Azure.

23. Business transfer agreement dated March 5, 2021 executed between Waaree Renewables Private Limited and Waaree Energies Limited.

24. Share purchase agreement dated July 11, 2018, along with the amended share purchase agreement dated December 31, 2018 executed between Hero Solar Energy Private Limited, Waaree Energies Limited, Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi and Waaneep Solar Private Limited.

25. Shareholders’ agreement dated July 10, 2018 executed between Aditya Birla Renewables Limited, Waaree Renewable Technologies Limited (formerly known as Sangam Renewables Limited) and Waacox Energy Private Limited.

26. Letter of offer dated April 16, 2019.

27. Agreements dated July 26, 2021 for construction of the infrastructure for the Solar Cell Facility and Solar Module Facility to be set up on the land situated at Plot Number 1, Village Degam, Taluka Chikhli, District Navasari, Gujarat between our Company and Waaree Renewables Private Limited.

28. Deed of guarantee dated January 10, 2018 entered into between Hitesh Chimanlal Doshi, along with member of Promoter Group, Kirit Chimanlal Doshi, and the Indian Renewable Energy Development Agency Limited.

29. Deed of guarantee dated September 1, 2021 entered into between Hitesh Chimanlal Doshi, along with member of Promoter Group, Kirit Chimanlal Doshi, and the Indian Renewable Energy Development Agency Limited.

30. Deed of guarantee dated June 15, 2021 entered into between Hitesh Chimanlal Doshi and the Indian Renewable Energy Development Agency Limited.

31. Deed of personal guarantee dated October 1, 2020 entered into between Hitesh Chimanlal Doshi and Vistra (ITCL) India Limited.

32. Deed of personal guarantee dated October 1, 2020 entered into between Virenkumar Chimanlal Doshi and Vistra (ITCL) India Limited.

33. Deed of corporate guarantee dated October 1, 2020 entered into between Waaree Renewables Private Limited and Vistra (ITCL) India Limited.

34. Deed of guarantee dated February 17, 2020 entered into amongst Hitesh Chimanlal Doshi, Virenkumar Chimanlal Doshi, certain members of our Promoter Group and State Bank of India, acting as the lead bank for a consortium of lenders, i.e., Bank of Maharashtra, IndusInd Bank limited and State Bank of India pursuant to a working capital consortium agreement dated February 17, 2020.,

35. Deed of guarantee dated February 17, 2020 entered into between Mahavir Thermoequip Private Limited and State Bank of India, acting as the lead bank for a consortium of lenders, i.e., Bank of Maharashtra, IndusInd Bank limited and State Bank of India pursuant to a working capital consortium agreement dated February 17, 2020.

36. Tripartite agreement dated August 27, 2021 among our Company, NSDL and the Registrar to the Offer.

37. Tripartite agreement dated August 25, 2021 among our Company, CDSL and the Registrar to the Offer.

38. Due diligence certificate dated September 28, 2021 addressed to SEBI from the BRLMs.

39. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.

40. SEBI observation letter bearing reference number [●] and dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

____

Hitesh Chimanlal Doshi

Chairman and Managing Director

Place: Mumbai

Date: September 28, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director and Chief Financial Officer of our Company

Hitesh Pranjivan Mehta

Whole-time Director and Chief Financial Officer

Place: Mumbai

Date: September 28, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

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Virenkumar Chimanlal Doshi

Whole-time Director

Place: Mumbai

Date: September 28, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

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Rajender Mohan Malla

Independent Director

Place: New Delhi

Date: September 28, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

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Jayesh Dhirajlal Shah

Independent Director

Place: Mumbai

Date: September 28, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

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Richa Manoj Goyal

Independent Director

Place: Mumbai

Date: September 28, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

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Sujit Kumar Varma

Independent Director

Place: Mumbai

Date: September 28, 2021

DECLARATION

I, Hitesh Chimanlal Doshi, acting as a Selling Shareholder, hereby certify and declare that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself and the Equity Shares being offered by me in the Offer are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

Signed by Hitesh Chimanlal Doshi

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Place: Mumbai

Date: September 28, 2021

DECLARATION

I, Virenkumar Chimanlal Doshi, acting as a Selling Shareholder, hereby certify and declare that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself and the Equity Shares being offered by me in the Offer are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

Signed by Virenkumar Chimanlal Doshi

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Place: Mumbai

Date: September 28, 2021

DECLARATION

We, Mahavir Thermoequip Private Limited, acting as a Selling Shareholder, hereby certify and declare that all statements, disclosures and undertakings made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves and the Equity Shares being offered by us in the Offer are true and correct. We assume no responsibility, as a Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

Signed for and on behalf of Mahavir Thermoequip Private Limited

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Authorised Signatory: Pankaj Doshi

Designation: Director

Place: Mumbai

Date: September 28, 2021

DECLARATION

I, Samir Surendra Shah, acting as a Selling Shareholder, hereby certify and declare that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself and the Equity Shares being offered by me in the Offer are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

Signed by Hitesh Pranjivan Mehta (as the power of attorney holder for and on behalf of **Samir Surendra Shah**)

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Place: Mumbai

Date: September 28, 2021

DECLARATION

We, Nilesh Gandhi and Drasta Gandhi, jointly acting as a Selling Shareholder, hereby certify and declare that all statements, disclosures and undertakings made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves and the Equity Shares being offered by us in the Offer are true and correct. We assume no responsibility, as a Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

Signed by Nilesh Gandhi jointly with Drasta Gandhi

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Nilesh Gandhi

Place: Mumbai

Date: September 28, 2021

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Drasta Gandhi

Place: Mumbai

Date: September 28, 2021