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**PREMIER ENERGIES LIMITED**

**CORPORATE IDENTITY NUMBER:** U40106TG1995PLC019909

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND E-MAIL	WEBSITE
Plot No. 8/B/1 and 8/B/2, E-City, Maheshwaram Mandal, Raviryala Village, K.V. Rangareddy 501 359, Telangana, India	8 <sup>th</sup> Floor, Orbit Tower Hyderabad Knowledge City, Raidurg (Panmaktha Village), Serilingampally Mandal, Hyderabad 500 019, Telangana, India	Ravella Sreenivasa Rao Company Secretary and Compliance Officer	<b>Tel:</b> + 91 90 3099 4222 <b>E-mail:</b> investors@premierenergies.com	www.premierenergies.com

**OUR PROMOTERS: SURENDER PAL SINGH SALUJA AND CHIRANJEEV SINGH SALUJA**

**DETAILS OF THE OFFER**

Type	Fresh Issue size <sup>^</sup>	Offer for Sale size	Total Offer size <sup>^</sup>	Eligibility and Reservation
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹15,000 million	Up to 28,200,000 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”). For further details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 411. For details in relation to share reservation among QIBs, NIIs, RIIs and Eligible Employees, see “Offer Structure” on page 432.

**DETAILS OF THE OFFER FOR SALE**

Name of the Selling Shareholder	Type	Number of Equity Shares offered/ Amount (in ₹million)	Weighted average cost of acquisition per Equity Share (in ₹) <sup>#</sup>
South Asia Growth Fund II Holding LLC	Investor Shareholder Selling	Up to 23,846,400 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	15.81
South Asia EBT Trust	Investor Shareholder Selling	Up to 153,600 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	15.81
Chiranjeev Singh Saluja	Promoter Shareholder Selling	Up to 4,200,000 Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	0.25

<sup>\*</sup> As certified by Manian and Rao, Chartered Accountants, by way of their certificate dated April 19, 2024.

<sup>#</sup> Calculated on fully diluted basis.

**RISKS IN RELATION TO THE FIRST OFFER**

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹1 each. The Offer Price, Floor Price and Price Band, as determined by our Company, in consultation with the Book Running Lead Managers to the Offer (“BRLMs”), in accordance with the SEBI ICDR Regulations and on the basis of assessment of market demand for the Equity Shares by way of the Book Building Process, and as stated in “Basis for Offer Price” beginning on page 135, should not be taken to be indicative of the market price of the Equity Shares of face value of ₹1 each after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of face value of ₹1 each or 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 entire 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 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” beginning on page 31.

**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. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements made or confirmed by such Selling Shareholders in this Draft Red Herring Prospectus to the extent of information specifically pertaining to it and/or its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholder assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company’s business or any other Selling Shareholders.

**LISTING**

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the stock exchanges being BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, and together with the BSE, the “Stock Exchanges”). For the purposes of the Offer, the Designated Stock Exchange shall be [●].

**BOOK RUNNING LEAD MANAGERS**

Name and logo of Book Running Lead Managers	Contact Person	Telephone and E-mail
<b>Kotak Mahindra Capital Company Limited</b>	<b>Contact Person:</b> Ganesh Rane	<b>Tel:</b> + 91 22 4336 0000 <b>E-mail:</b> premierenergies.ipo@kotak.com
<b>J.P. Morgan India Private Limited</b>	<b>Contact Person:</b> Aanchal Mittal / Akhand Dua	<b>Tel:</b> +91 22 6157 3000 <b>E-mail:</b> PREMIER_IPO@jpmorgan.com
<b>ICICI Securities Limited</b>	<b>Contact Person:</b> Sumit Singh/ Ashik Joisar	<b>Tel:</b> + 91 22 6807 7100 <b>E-mail:</b> premierenergiesipo@icicisecurities.com

**REGISTRAR TO THE OFFER**

<b>KFin Technologies Limited</b>	<b>Contact Person:</b> M. Murali Krishna	<b>Tel:</b> +91 40 6716 2222 <b>E-mail:</b> pel.ipo@kfintech.com
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**BID/OFFER PERIOD**

<b>ANCHOR INVESTOR BIDDING DATE</b>	<b>[●]*</b>	<b>BID/ OFFER OPENS ON</b>	<b>[●]</b>	<b>BID/ OFFER CLOSES ON</b>	<b>[●]**#</b>
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\* Our Company, 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 may, in consultation with the BRLMs, 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.

^ Our Company, in consultation with the BRLMs, may consider issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.

# UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date



**PREMIER ENERGIES LIMITED**

Our Company was originally incorporated as a private limited company with the name “Premier Solar Systems Private Limited” under the provisions of the Companies Act, 1956, at Hyderabad, India, pursuant to a certificate of incorporation dated April 3, 1995, issued by the Registrar of Companies, Andhra Pradesh. Subsequently, pursuant to a Board resolution dated May 6, 2019 and a resolution passed at an extraordinary general meeting dated July 25, 2019, the name of our Company was changed to “Premier Energies Private Limited” and a fresh certificate of incorporation dated August 6, 2019 was issued by the Registrar of Companies, Telangana at Hyderabad (“RoC”). Upon the conversion of our Company into a public limited company, pursuant to a Board resolution dated September 3, 2019 and a Shareholders’ resolution dated September 4, 2019, the name of our Company was changed to “Premier Energies Limited” and a fresh certificate of incorporation dated September 25, 2019 was issued by the RoC. For details in relation to the changes in the registered office of our Company, see “*History and Certain Corporate Matters - Changes in the registered office of our Company*” on page 244.

**Corporate Identity Number:** U40106TG1995PLC019909

**Registered Office:** Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, K.V. Rangareddy 501 359, Telangana, India

**Corporate Office:** 8<sup>th</sup> Floor, Orbit Tower Hyderabad Knowledge City, Raidurg (Panmaktha Village), Serilingampally Mandal, Hyderabad 500 019, Telangana, India

**Contact Person:** Ravella Sreenivasa Rao, Company Secretary and Compliance Officer

**Tel:** +91 90 3099 4222; **E-mail:** investors@premierenergies.com; **Website:** www.premierenergies.com

**OUR PROMOTERS: SURENDER PAL SINGH SALUJA AND CHIRANJEEV SINGH SALUJA**

**INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH (“EQUITY SHARES”) OF PREMIER ENERGIES LIMITED (OUR “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (THE “OFFER PRICE”) AGGREGATING UP TO ₹[●] MILLION (THE “OFFER”) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹15,000 MILLION (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 28,200,000 EQUITY SHARES (THE “OFFERED SHARES”) AGGREGATING UP TO ₹[●] MILLION (THE “OFFER FOR SALE”), COMPRISING UP TO 23,846,400 EQUITY SHARES AGGREGATING TO ₹[●] MILLION BY SOUTH ASIA GROWTH FUND II HOLDINGS LLC, UP TO 153,600 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY SOUTH ASIA EBT TRUST (TOGETHER, THE “INVESTOR SELLING SHAREHOLDERS”) AND UP TO 4,200,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY CHIRANJEEV SINGH SALUJA (THE “PROMOTER SELLING SHAREHOLDER”, AND TOGETHER WITH THE INVESTOR SELLING SHAREHOLDERS, THE “SELLING SHAREHOLDERS”).**

**THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹[●] MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (“EMPLOYEE RESERVATION PORTION”). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER ISSUE OF SPECIFIED SECURITIES, AS MAY BE PERMITTED UNDER THE APPLICABLE LAW, AGGREGATING UP TO ₹3,000.00 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC (“PRE-IPO PLACEMENT”). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED.**

**THE PRICE BAND, EMPLOYEE DISCOUNT (IF ANY) AND MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER), AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED TELUGU DAILY NEWSPAPER, TELUGU BEING THE REGIONAL LANGUAGE OF TELANGANA WHERE OUR REGISTERED 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 UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.**

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 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 websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and Sponsor Banks, as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made 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 on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the “Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (“Anchor Investor Allocation Price”). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining QIB Portion (“Net QIB Portion”). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), 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 to Non-Institutional Investors (“NIIs”) (“Non-Institutional Category”) of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with a Bid size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with a Bid size of more than ₹1,000,000 and under-subscription in either of these two subcategories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors (“RIIs”) (“Retail Category”), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount (“ASBA”) process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see “Offer Procedure” beginning on page 437.

**RISKS IN RELATION TO FIRST OFFER**

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹1 each. The Offer Price, Floor Price and Price Band, as determined by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and on the basis of assessment of market demand for the Equity Shares by way of the Book Building Process and as stated in “Basis for Offer Price” beginning on page 135, should not be taken to be indicative of the market price of the Equity Shares of face value of ₹1 each after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of face value of ₹1 each or 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 entire 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 have not been recommended or approved by the 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” beginning on page 31.

**ISSUER’S AND SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY**

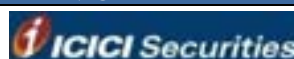
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring 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. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements made or confirmed by such Selling Shareholders in this Draft Red Herring Prospectus to the extent of information specifically pertaining to it and/or its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholder assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company’s business or any other Selling Shareholders.

**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 listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 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 482.

**BOOK RUNNING LEAD MANAGER**

**REGISTRAR TO THE OFFER**



<b>Kotak Mahindra Capital Company Limited</b> 1 <sup>st</sup> Floor, 27 BKC, Plot No. C-27, 'G' Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India <b>Tel:</b> + 91 22 4336 0000 <b>E-mail:</b> premierenergies.ipo@kotak.com <b>Investor Grievance ID:</b> kmccredressal@kotak.com <b>Contact Person:</b> Ganesh Rane <b>Website:</b> https://investmentbank.kotak.com/ <b>SEBI Registration Number:</b> INM000008704	<b>J.P. Morgan India Private Limited</b> J.P. Morgan Tower, Off. C.S.T. Road Kalina, Santacruz (East), Mumbai 400 098, Maharashtra, India <b>Tel:</b> +91 22 6157 3000 <b>E-mail:</b> PREMIER_IPO@jpmorgan.com <b>Investor grievance e-mail:</b> investorsmb.jpmpil@jpmorgan.com <b>Contact Person:</b> Aanchal Mittal / Akhand Dua <b>Website:</b> www.jpmpil.com <b>SEBI Registration No.:</b> INM000002970	<b>ICICI Securities Limited</b> ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India <b>Tel:</b> + 91 22 6807 7100 <b>E-mail:</b> premierenergiesipo@icicisecurities.com <b>Investor grievance e-mail:</b> customercare@icicisecurities.com <b>Contact Person:</b> Sumit Singh/ Ashik Joisar <b>Website:</b> www.icicisecurities.com <b>SEBI Registration No.:</b> INM000011179	<b>KFin Technologies Limited</b> Selenium, Tower-B, Plot No. 31 and 32 Financial District Nanakramguda, Serilingampally Hyderabad 500 032 Telangana, India <b>Tel:</b> +91 40 6716 2222 <b>E-mail:</b> pel.ipo@kfintech.com <b>Website:</b> www.kfintech.com <b>Investor grievance e-mail:</b> einward.ris@kfintech.com <b>Contact Person:</b> M. Murali Krishna <b>SEBI Registration No.:</b> INR000000221
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**BID/OFFER PROGRAMME**

<b>ANCHOR INVESTOR BIDDING DATE</b>	●  *	<b>BID/ OFFER OPENS ON</b>	●  **#
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\* Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.

\*\* Our Company 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 5:00 pm on the Bid/Offer Closing Date.



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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, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*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 Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the Securities Contracts (Regulation) Act, 1956, as amended (“SCRA”), the Depositories Act, 1966, as amended or the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms in “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Main Provisions of the Articles of Association”, beginning on pages 144, 152, 236, 280, 401 and 460, respectively, will have the meaning ascribed to such terms in those respective sections.*

#### General Terms

Term	Description
Company or Issuer	Premier Energies Limited, a public limited company incorporated in India under the Companies Act 1956. Unless the context otherwise indicates, all references to the terms “we”, “us” and “our” are to our Company, our Subsidiaries and Associates on a consolidated basis. as applicable as at and during such fiscals/ period

#### Company Related Terms

Term	Description
Articles of Association or AoA	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, as described in “ <i>Our Management - Board Committees – Audit Committee</i> ” on page 265
Auditor or Statutory Auditor	The current statutory auditor of our Company, namely, Deloitte Haskins & Sells, Chartered Accountants.
Associates	Collectively, Mavyatho Ventures Private Limited and Brightstone Developers Private Limited  For the purpose of financial information derived from Restated Consolidated Financial Information in this Draft Red Herring Prospectus, “Associates” would mean Associates of our Company as at and for the relevant period/Financial Year(s)
Board or Board of Directors	The board of directors of our Company (including any duly constituted committee thereof). For details, see “ <i>Our Management</i> ” on page 257
Chairman	The chairman of our Company, namely Surender Pal Singh Saluja. For details, see “ <i>Our Management</i> ” on page 257
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely Ravella Sreenivasa Rao. For details, see “ <i>Our Management</i> ” on page 257
Compulsorily Convertible Debentures or CCDs	Compulsorily convertible debentures of our Company of face value ₹100
Corporate Office	The corporate office of our Company situated at 8 <sup>th</sup> Floor, Orbit Tower Hyderabad Knowledge City, Raidurg (Panmaktha Village), Serilingampally Mandal, Hyderabad 500 019, Telangana, India
Corporate Social Responsibility Committee or CSR Committee	The corporate social responsibility committee of our Board, as described in “ <i>Our Management – Board Committees – CSR Committee</i> ” on page 269
Director(s)	The director(s) on our Board, as appointed from time to time. For details, see “ <i>Our Management</i> ” on page 257
Equity Shares	The equity shares of our Company of face value of ₹1 each
Executive Director	The executive director(s) on our Board. For details, see “ <i>Our Management</i> ” on page 257
First Amendment Agreement	The amendment agreement to the SHA dated December 19, 2022 entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja, Vivana Saluja, Manjeet Kaur

Term	Description
	Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy, Sudha Moola and Rama Moola. For details, see “ <b>History and Certain Corporate Matters - Shareholders’ agreement and other key agreements</b> ” on page 248
F&S	Frost & Sullivan (India) Private Limited
F&S Report	Industry report titled “ <b>Industry Report on Solar Cell and Module Market</b> ” dated April 18, 2024 prepared by F&S, appointed by our Company on February 6, 2024, exclusively commissioned and paid for by our Company in connection with the Offer. The F&S Report is available at our Company’s website at <a href="https://premierenergies.com/investor-relations/ipo-documents">https://premierenergies.com/investor-relations/ipo-documents</a>
Group Chief Financial Officer or Group CFO	The group chief financial officer of our Company, namely Nand Kishore Khandelwal. For details, see “ <b>Our Management</b> ” on page 257
Group Companies	The companies identified as ‘group companies’ in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations including the Materiality Policy. For details, see “ <b>Our Group Companies</b> ” on page 408
IBD Bangladesh	IBD Solar Powertech Private Limited
Independent Director(s)	The independent director(s) on our Board, as described in “ <b>Our Management</b> ” on page 257
Investor Selling Shareholder(s)	Together, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer, comprising Surender Pal Singh Saluja, Chiranjeev Singh Saluja and Abhishek Loonker
Key Managerial Personnel or KMP	The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in “ <b>Our Management – Key Managerial Personnel and Senior Management – Key Managerial Personnel</b> ” on page 273
Materiality Policy	Policy for identification of (i) companies to be disclosed as group companies; (ii) material outstanding civil litigation proceeding involving our Company, our Subsidiaries, our Promoters and our Directors; and (iii) material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board pursuant to its resolution dated April 15, 2024
Material Subsidiaries	The subsidiaries identified as material in accordance with Regulation 16(1)(c) of the SEBI Listing Regulations i.e. Premier Energies Photovoltaic Private Limited and Premier Energies International Private Limited
Memorandum of Association or MoA	The memorandum of association of our Company, as amended from time to time
Non-Executive Director	The non-executive director(s) on our Board, as described in “ <b>Our Management</b> ” on page 257
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in “ <b>Our Management – Board Committees – Nomination and Remuneration Committee</b> ” on page 267
PEGEPL	Premier Energies Global Environment Private Limited
PEIPL	Premier Energies International Private Limited
PEL ESOP Scheme	Premier Energies Limited Employees Stock Option Plan 2021 Scheme
PEPPL	Premier Energies Photovoltaic Private Limited
PPGPL	Premier Photovoltaic Gajwel Private Limited
PSPPL	Premier Solar Powertech Private Limited
Premier USA	Premier Energies Photovoltaic LLC
PPZPL	Premier Photovoltaic Zaheerabad Private Limited
Promoters	The promoters of our Company, namely, Surender Pal Singh Saluja and Chiranjeev Singh Saluja
Promoter Group	The individuals and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “ <b>Our Promoters and Promoter Group</b> ” on page 276
Promoter Selling Shareholder	Chiranjeev Singh Saluja
Registered Office	The registered office of our Company situated at Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, K.V. Rangareddy 501 359, Telangana, India
Registrar of Companies or RoC	Registrar of Companies, Telangana at Hyderabad
Restated Consolidated Financial Information	The restated consolidated financial information of our Company and our Subsidiaries as at and for the nine months ended December 31, 2023 and as at and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, comprising the restated consolidated statement of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the nine months ended December 31, 2023 and for the Financial Years ended March 31, 2023,

Term	Description
	March 31, 2022 and March 31, 2021, the summary statement of material accounting policies, and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI
Risk Management Committee	The risk management committee of our Board, as described in “ <b><i>Our Management– Board Committees – Risk Management Committee</i></b> ” on page 272
Senior Management or SMP	The senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in “ <b><i>Our Management – Key Managerial Personnel and Senior Management – Senior Management</i></b> ” on page 273
SHA	Shareholders’ agreement dated September 10, 2021, entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja, Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy and Sudha Moola. For details, see “ <b><i>History and Certain Corporate Matters - Shareholders’ agreement and other key agreements</i></b> ” on page 248
Shareholders	The shareholders of our Company from time to time
Shareholders’ Agreement	The SHA as amended and read along with the First Amendment Agreement and the Second Amendment Agreement
Second Amendment Agreement	The second amendment agreement to the SHA dated April 18, 2024 entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja, Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy, Sudhir Moola, Surender Pal Saluja Trust and Chiranjeev Saluja Trust
Selling Shareholders	Together, the Promoter Selling Shareholder and Investor Selling Shareholders
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board, as described in “ <b><i>Our Management– Board Committees – Stakeholders’ Relationship Committee</i></b> ” on page 269
Subsidiaries	The subsidiaries of our Company as on the date of this Draft Red Herring Prospectus, as disclosed in “ <b><i>Our Subsidiaries and Associates – Subsidiaries of our Company</i></b> ” on page 251  For the purpose of financial information derived from Restated Consolidated Financial Information in this Draft Red Herring Prospectus, “Subsidiaries” would mean Subsidiaries of our Company as at and for the relevant period/Financial Year(s)

## Offer Related Terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of prospectus as may be specified by SEBI in this regard
Acknowledgment Slip	The slip or document issued by the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form
Allot or Allotment or Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be 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 the successful Bidders
Allotment Advice	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 an Allotment is made
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with 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 according to the terms of the Red Herring Prospectus, which will be decided by our Company in consultation with the BRLMs on the Anchor Investor Bidding Date
Anchor Investor Application Form	The 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 the Prospectus
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher

Term	Description
	than the Offer Price but not higher than the Cap Price.
	The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs
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 Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations out of which 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
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders
ASBA Bidder(s)	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank, the Refund Bank, the Public Offer Account Bank and the Sponsor Bank, as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in " <b>Offer Procedure</b> " on page 437
Bid(s)	An indication by a ASBA Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, 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 optional Bids indicated in the Bid cum Application Form (less Employee Discount, if any), and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable.  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. Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-Off Price and the Bid Amount shall be Cap Price net of Employee Discount, if any, multiplied by the number of Equity Shares Bid by such Eligible Employee and mentioned in the Bid cum Application Form.  The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). Only in the event of 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 (net of Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any)
Bid cum Application Form Bidder	The Anchor Investor Application Form or the ASBA Form, as the context requires Any prospective investor who makes a Bid pursuant to the terms of the Red Herring 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 Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs



<b>Term</b>	<b>Description</b>
	and Designated CDP Locations for CDPs
Bid Lot	[●] Equity Shares
Bid/ Offer Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bid, being [●], which shall be published in [●] (a widely circulated English national daily newspaper), [●] (a widely circulated Hindi national daily newspaper) and the [●] (a widely circulated Telugu daily newspaper, Telugu being the regional language of Telangana where our Registered Office is located). In case of any revisions, the extended Bid/Offer Closing Date will 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 other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Banks. Our Company, 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.</p> <p>Our Company may, in consultation with the BRLMs, 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</p>
Bid/ Offer Opening Date	<p>Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Telugu daily newspaper, Telugu being the regional language of Telangana where our Registered Office is located)</p>
Bid/ Offer Period	<p>Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in accordance with the terms of the Red Herring Prospectus.</p> <p>Our Company, 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</p>
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLMs	The book running lead managers to the Offer, being Kotak, JP Morgan and ICICI Securities
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker, 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 at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>
CAN or 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, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price
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 Member(s), the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Banks, and the Refund Bank(s) for, among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof
CDP or Collecting Depository Participant	A depository participant as defined under the Depositories Act, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the lists available on the websites of BSE and NSE, as updated from time to time
Cut-Off Price	<p>Offer Price, which shall be any price within the Price Band, finalised by our Company, in consultation with the BRLMs.</p> <p>Only Retail Individual Investors in the Retail Category and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at</p>

<b>Term</b>	<b>Description</b>
	the Cut-off Price
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as 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, respectively) as updated from time to time
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediary(ies)	SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and RTAs who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively) as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated April 19, 2024 filed with SEBI and Stock Exchanges 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
Employee Discount	Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees which shall be announced at least two Working Days prior to the Bid / Offer Opening Date
Eligible Employees	Permanent employees of our Company or of our Subsidiaries (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or our Subsidiaries until the submission of the ASBA Form and is working and present in India or abroad as on the date of submission of the ASBA Form; or  Director of our Company, whether whole-time or otherwise, not holding either himself/herself or through their relatives or through any body corporate, directly or indirectly, more than 10% of the outstanding Equity Shares (excluding Directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company until submission of the ASBA Form and is working and present in India or abroad as on the date of submission of the ASBA Form.  The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any)
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered thereby
Eligible NRIs	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

Term	Description
	Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares aggregating up to ₹[●] million which shall not exceed 5% of the post Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	'No-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	The 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 thereto, 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 issue of up to [●] Equity Shares at ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹15,000 million by our Company.  Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended
General Information Document	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 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company
ICICI Securities	ICICI Securities Limited
JP Morgan	J.P. Morgan India Private Limited
Kotak	Kotak Mahindra Capital Company Limited
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of [●] 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	Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see " <i>Objects of the Offer</i> " beginning on page 119
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Non-Institutional Investors or NIIs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI, that are not QIBs (including Anchor Investors) or Retail Individual Investors or the Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Investors, of which (a) one-third portion shall be reserved for applicants with a Bid size of more than ₹ 200,000 and up to ₹1,000,000, and (b) two-thirds portion shall be reserved for applicants with a Bid size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of, subject to valid Bids being received at or above the Offer Price

Term	Description
Offer	<p>Initial public offering of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] million comprising the Fresh Issue and the Offer for Sale. For further information, see “<i>The Offer</i>” on page 80</p> <p>Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended</p>
Offer Agreement	The agreement dated April 19, 2024 executed 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 28,200,000 Equity Shares aggregating to ₹[●] million by the Selling Shareholders in the Offer. For further information, see “ <i>The Offer</i> ” beginning on page 80
Offer Price	<p>The final price at which Equity Shares will be Allotted to successful Bidders other than Anchor Investors in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.</p> <p>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 in consultation with the BRLMs</p>
Offered Shares	The Equity Shares offered by the Selling Shareholders in the Offer by way of Offer for Sale. For further information, see “ <i>The Offer</i> ” on page 80
Pre-IPO Placement	Our Company, in consultation with the BRLMs, may consider an issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended
Price Band	<p>The price band ranging from a Floor Price of ₹[●] per Equity Share to a Cap Price of ₹ [●] per Equity Share, including any revisions thereof. The Price Band and minimum Bid Lot, as decided by our Company, in consultation with the BRLMs will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Telugu daily newspaper, Telugu being the regional language of Telangana where our Registered Office is located), where our Registered Office is located) 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.</p> <p>Provided that the Cap Price shall be at least 105% of the Floor Price and shall not be greater than 120% of the Floor Price</p>
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The ‘no-lien’ and ‘non-interest bearing’ bank account to be opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
Public Offer Account Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Bidders	QIBs who Bid in the Offer

<b>Term</b>	<b>Description</b>
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer consisting of [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs up to a limit of 60% of the QIB Portion), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
Red Herring Prospectus or 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 Allotted and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made
Refund Bank	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registrar Agreement	The agreement dated April 18, 2024 entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar to the Offer or Registrar	KFin Technologies Limited
RTAs or Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investors or RIIs	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs)
Retail Category	The portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, 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 Bid cum Application Forms 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 the Bid/ Offer Closing Date
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.  Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the "list of mobile applications for using UPI in Public Issues" displayed on the SEBI website at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> . The said list shall be updated on the SEBI website from time to time
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]



<b>Term</b>	<b>Description</b>
Share Escrow Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Offered Shares to the demat account of the Allottees in accordance with the Basis of Allotment
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Sponsor Bank(s)	Bank(s) registered with SEBI which will be appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI Mandate Request by the UPI Bidders and carry out other responsibilities, in terms of the UPI Circulars
Syndicate Agreement	The agreement to be entered into amongst our Company, the Registrar to the Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate
Syndicate Member(s)	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations
Syndicate or Members of the Syndicate	The BRLMs and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into amongst the Underwriters, our Company and the Selling Shareholders, on or after the Pricing Date but prior to filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Investors in the Retail Category; (ii) Eligible Employees in the Employee Reservation Portion; and (iii) Non-Institutional Investors with an application size of up to ₹500,000 in the Non-Institutional Category bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 are required to use UPI Mechanism and are required to provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference number 25/2022 dated August 3, 2022, and the circular issued by BSE having reference number 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of an SMS directing the UPI Bidder to such UPI application) to the UPI

<b>Term</b>	<b>Description</b>
	Bidder initiated by the Sponsor Bank to authorise blocking of funds equivalent to Bid Amount in the relevant ASBA Account through UPI, and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that shall be used by UPI Bidders to make a Bid 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, India are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression “Working Day” shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression ‘Working Day’ shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI

### Conventional and General Terms or Abbreviations

<b>Term</b>	<b>Description</b>
AGM	Annual general meeting of shareholders under the Companies Act, 2013
Banking Regulation Act	Banking Regulation Act, 1949
Bn/bn	Billion
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
AIF	An alternative investment fund as defined in and registered with SEBI under the SEBI AIF Regulations
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Consolidated FDI Policy	The Consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
COVID-2019/ 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
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996, read with regulations framed thereunder
DIN	Director Identification Number
DP ID	Depository Participant’s Identity Number
DP or Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry ( <i>formerly Department of Industrial Policy and Promotion</i> ), GoI
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortization and is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates
EBITDA Margin	EBITDA Margin has been calculated as our EBITDA during a given period as a percentage of total income during that period. Total income is calculated as revenue from operations and other income
EPS	Earnings Per Share
FCNR Account	Foreign currency non-resident bank account established in accordance with the provisions of FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Non-Debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
Financial Year or FY or Fiscal or Fiscal Year	Unless states otherwise, the period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year

<b>Term</b>	<b>Description</b>
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GoI or Government or Central Government	The Government of India
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Income Tax Act	The Income-tax Act, 1961, read with the rules framed thereunder
Income Tax Rules	The Income-tax Rules, 1962
Ind AS	The Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended and the Companies (Accounts) Rules, 2014, as amended
IPO	Initial public offering
IST	Indian Standard Time
MCA	The Ministry of Corporate Affairs, Government of India
Mn or mn	Million
N.A.	Not applicable
NEFT	National Electronic Fund Transfer
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs
NPCI	National Payments Corporation of India
NRI	A person resident outside India, who is a citizen of India or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB or 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 beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
P/E Ratio	Price / earnings ratio
PAN	Permanent account number
PAT	Profit after tax
PAT Margin	Profit after tax margin
PBT	Profit before tax
PBT Margin	Profit before tax margin
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
ROCE	Return on capital employed has been calculated as restated profit before tax plus finance cost divided by average capital employed where average capital employed is the average of opening and closing values of total equity (excluding non-controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill as disclosed in the Restated Consolidated Financial Information
ROE	Return on equity has been calculated as restated profit for the period/ year (owners share) divided by average total equity (excluding non-controlling interest) whereas average total equity is the average of opening and closing total equity (excluding non-controlling interest) as disclosed in the Restated Consolidated Financial Information
RTGS	Real time gross settlement
Rule 144A	Rule 144A of the U.S. Securities Act
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992

<b>Term</b>	<b>Description</b>
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI ICDR Master Circular	SEBI master circular bearing reference number SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023
SEBI SBEB SE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI VCF Regulations	Erstwhile, the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
State Government	The government of a state in India
Stock Exchanges	Collectively, the BSE and NSE
TAN	Tax deduction account number
USD or \$	U.S. Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. QIBs	“Qualified institutional buyers” as defined in Rule 144A under the U.S. Securities Act
U.S. Securities Act	The U.S. Securities Act of 1933, as amended
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations and the SEBI AIF Regulations, as the case may be
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Year/ Calendar Year	The 12-month period ending December 31

### Technical/ Industry Related Abbreviations

<b>Term</b>	<b>Description</b>
ACS	Average cost of electricity supply
Actual Production Solar Module	Actual production of solar module refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods generated
ALMM	Approved List of Models and Manufacturers
Annual Installed Capacity	The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which has the maximum power output and can be produced in the specific production line
Annual Production	Actual production refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods or services generated
AlOx	Aluminum Oxide
BCD	Basic customs duty
BI	Building integration
BIS	Bureau of Indian Standards
BU	Billion units
Capacity Utilization	Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It is a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the nine months ended December 31, 2023, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized effective installed capacity.
CERC	Central Electricity Regulatory Commission
CPSU	Central Public Sector Undertakings
CY	Calendar year
DC	Direct current
DCR	Domestic content requirement
DISCOM	State electricity distribution company

<b>Term</b>	<b>Description</b>
Effective Installed Capacity	The effective installed capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line
Efficiencies	A measure of the amount of sunlight (irradiation) that falls on the surface of a solar panel and is converted into electricity
EL	Electroluminescence
EPC	Engineering, procurement and construction
EPCG	Export Promotion Capital Goods scheme by the Government of India
ESG	Environment, social and governance
EV	Electric vehicle
EVA	Ethylene-vinyl acetate
EU	European Union
GDP	Gross domestic product
GST	Goods and Services Tax
GTAM	Green Term Ahead Market
GW	Gigawatts. Further, 1GW is equivalent to 1,000 MW
HJT	Heterojunction technology
IBC	Interdigitated back contact
IEA	International Energy Agency
IEC	International Electrotechnical Commission
IIP	Index of Industrial Production
IPP	Independent power producer
IREDA	Indian Renewable Energy Development Agency Limited
ISA	International Solar Alliance
ISTS	Inter-State Transmission System
Jharkhand Power Plant	The solar power plant operated by our Company situated at Charki Pahadi, Tapovan, Deoghar 814 112, Jharkhand, India
kW	Kilowatt
kWh	Kilowatt hour
LOA	Letters of award
LCO	Laser contact opening
M10	M10 implies usage of 182mm x 182mm solar cells
M-SIPS	Modified Special Incentive Package Scheme
MMT	Million metric ton
MNRE	Ministry of New and Renewable energy
MOOWR	Manufacturing and Other Operations in Warehouse Regulations
MoP	Ministry of Power
MSME	Micro, small and medium enterprise
MW	Megawatt. Further, 1,000 MW is equivalent to 1 GW
NTPC	National Thermal Power Corporation Ltd/ Limited
O&M	Operations and maintenance
OEM	Original equipment manufacturer
Order Book	Order book refers to the outstanding order pending for delivery as on the cut off date against the confirmed purchase orders or supply agreements received from various customers
PDC	Project Development Cells
PERC	Passivated emitter and rear cell
PECVD	Plasma-enhanced chemical vapor deposition
PLI	Production-linked incentive/ Production linked incentive
PM-KUSUM Scheme	Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan Scheme
PMI	Purchasing Managers Index
PPA	Power purchase agreement
Project	The proposed establishment of a 4 GW solar TOPCon cell and 4 GW solar TOPCon module manufacturing facility in Hyderabad, Telangana, India using the proceeds of the Fresh Issue
Project Land	The land on which the Project is proposed to be established, situated at UDL-5 Part at Industrial Park, Seetharampur, Ranga Reddy District, Telangana, India, aggregating to 75 acres
Project Loan	The loan facility amounting to ₹22,250.00 million extended by Indian Renewable Energy Development Agency Limited to PEGEPL pursuant to a sanction letter dated February 29, 2024, to enable PEGEPL to part-finance the Project
PSG	Phosphosilicate Glass



<b>Term</b>	<b>Description</b>
PSU	Public Sector Undertakings
PV	Photovoltaic/ photo-voltaic
PVEL	PV Evolution Labs
RCT	RCT Solutions GmbH
RCT Report	Project cost vetting report dated April 18, 2024 issued by RCT in relation to the Project
RE	Renewable energy
RPO	Renewable purchase obligations
RTC	Round-the-clock
SECI	Solar Energy Corporation of India
SERC	State electricity regulatory commission
SEZ	Special Economic Zone
SiN	Silicon Nitride
SiO2	Silicon Oxide
SPECS	Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors
TOPCon	Tunnel Oxide Passivated Contact
TSIIC Limited	Telangana State Industrial Infrastructure Corporation Limited, , a Government of Telangana Undertaking
TÜV	Technischer Überwachungsverein
TWh	Terawatt-hour
UL	Underwriter Laboratories
UNFCCC	United Nations Framework Convention on Climate Change
Unit I	The manufacturing facility of our Company for solar module line, situated at Sy. No. 53, 56P, 57, 60P, Annaram Village, Gummadidala – Mandal, Sangareddy District – 502313, Telangana, India
Unit II	The manufacturing facility of our Subsidiary, PEPPL, for solar cell and solar module lines, situated at Plot No 8/B/1 and 8/B/2, Sy No 62 P 63, And 88 P, E City, Raviryala Village, Maheshwaram Mandal, Ranga Reddy 501359, Telangana, India
Unit III	The manufacturing facility of our Subsidiary, PEIPL, for solar cell line, situated at Plot No. S-95, S-96, S-100, S-101, S-102, S-103, S-104, Maheshwaram Mandal, Srinagar Village, Raviryal Industrial Area, Fab City, Rangareddy 501359, Telangana, India
Unit IV	The manufacturing facility of our Subsidiary, PEIPL, for solar module line, situated at Plot No. S-95, S-96, S-100, S-101, S-102, S-103, S-104, Maheshwaram Mandal, Srinagar Village, Raviryal Industrial Area, Fab City, Rangareddy 501359, Telangana, India
Unit V	The manufacturing facility of our Subsidiary, PEGEPL, for solar module line situated at Plot No. S-95, S-96, S-100, S-101, S-102, S-103, S-104, Maheshwaram Mandal, Srinagar Village, Raviryal Industrial Area, FAB City, Rangareddy 501359, Telangana, India
Unit VI	The proposed manufacturing facility of our Subsidiary, PEGEPL, for solar module and cell lines, pursuant to the Project, situated at UDL-5 Part at Industrial Park, Seetharampur, Ranga Reddy District, Telangana, India
USGBC	U.S. Green Building Council
W	Wattage
Wp	Wattage peak

## **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 all references herein to the “US”, the “U.S.” or the “United States” are to the United States of America.

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.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time and all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

### **Financial and Other Data**

Unless stated or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus are derived from our Restated Consolidated Financial Information. The Restated Consolidated Financial Information comprises the restated consolidated financial information of our Company and our Subsidiaries as at and for the nine months ended December 31, 2023 and as at and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 comprising the restated consolidated statement of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the nine months ended December 31, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of material accounting policies, and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.

For further information of our Company’s financial information, please see “*Financial Information*” on page 280.

There are significant differences between Indian GAAP, Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. 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 financial data. Accordingly, 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 Ind AS, 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. For details, 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 77.

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. Accordingly, all references to a particular Fiscal or Financial Year 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 stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year.

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 place and all percentage figures have been rounded off to two decimal places. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such 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 31,

204 and 351, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

#### *Non-Generally Accepted Accounting Principles Financial Measures*

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, EBIT, Return on Average Capital Employed, PBT Margin, PAT Margin, Debt to Equity Ratio, Inventory Turnover Ratio, Return on Equity, Net Asset Value per Equity Share, Net worth, Return on Net worth, Debt Service Coverage Ratio and certain other statistical information relating to our operations and financial performance (together, “**Non-GAAP Measures**”) that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. 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 U.S. GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our 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 and statistical information 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. For the risks relating to our Non-GAAP Measures, see “**Risk Factors – We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operations and financial performance in this Draft Red Herring Prospectus that are subject to inherent measurement challenges. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial, or industry-related statistical information of similar nomenclature computed and presented by other companies. Such supplemental financial and operational information is therefore of limited utility as an analytical tool for investors and there can be no assurance that there will not be any issues or such tools will be accurate going forward.**” on page 68.

#### **Industry and Market Data**

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, “*Industry Report on Solar Cell and Module Market*” dated April 18, 2024 (“**F&S Report**”) prepared by Frost & Sullivan (India) Private Limited (“**F&S**”), appointed by our Company pursuant to an engagement letter dated February 6, 2024, and such F&S Report has been commissioned and paid for by our Company, exclusively in connection with the Offer. Further, F&S pursuant to their consent letter dated April 18, 2024 has accorded its no objection and consent to use the F&S Report in connection with the Offer and has also confirmed that it is an independent agency, and none of the Company, Directors, Promoters, Subsidiaries, Selling Shareholders or BRLMs is a related party to F&S as per the definition of “related party” under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The F&S Report is available on the website of our Company at <https://premierenergies.com/investor-relations/ipo-documents>.

F&S has required us to include the following disclaimer in connection with the F&S Report:

*“Industry research companies such as Frost & Sullivan provide analysis based on information that has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry analysis is 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 relevant markets, and should not place undue reliance on or base their investment decision solely on this information. Investors 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. No material information has been discarded or left out by Frost & Sullivan and the said report is an excerpt of the full report”*

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Accordingly, no investment decision should be made solely on the basis of such information. Further, industry sources and publications are also prepared based on information as of a specific date and may no longer be current or reflect current trends.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed 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.**” on page 67.

In accordance with the SEBI ICDR Regulations, the section “**Basis for Offer Price**” on page 135, includes information relating to our peer company and industry averages. Such information has been derived from publicly available sources. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect.

### Currency and Units of Presentation

All references to “*Rupee(s)*”, “*Rs.*” or “*₹*” or “*INR*” are to Indian Rupees, the official currency of the Republic of India. All references to “*U.S. Dollar(s)*” or “*USD*” or “*US Dollar*” 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. All references to “*Tk*” are to Bangladeshi Taka, which is the official currency of Bangladesh.

All the figures in this Draft Red Herring Prospectus have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1, 000, 000,000, 000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to two decimal points. 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 figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

### Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amount into Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be considered as a representation that these currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated below or at all.

The following table sets forth as at the dates indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange rate as on			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
USD	83.12	82.22	75.81	73.50
EUR	92.00	89.61	84.66	86.10
Tk	1.30	1.29	1.12	1.13

Source: <https://www.fbil.org.in>; <https://www.oanda.com>

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.

### **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 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 (a) in the United States only to “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**” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to the registration requirements of the U.S. Securities Act and (b) outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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.



## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward looking statements, which may include statements with respect to our business strategy, our revenue and profitability, our goals and other such matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements generally can be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*goal*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*projected*”, “*should*” “*will*”, “*will continue*”, “*seek to*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our expected financial conditions, results of operations, strategies, objectives, prospects, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All forward-looking statements whether made by us or any third parties in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and 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.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, 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, incidence of any natural calamities and/or acts of violence, changes in laws, regulations and taxes and changes in competition in our industry.

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

- our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows;
- we derive a significant amount of revenue from only two product categories namely, solar cells and modules, and therefore their continued success is necessary for our business and prospects;
- an increasing amount of our income is derived from our export of solar modules and cells which we are in the process of expanding. Such expansion plans and exports may be dependent on the policies passed by the governments of export countries and any unfavorable change in such policies may adversely affect our business;
- restrictions or import duties levied on raw materials we use in our manufacturing operations may adversely affect our business prospects, financial performance and cash flows;
- orders in our order book may be delayed, modified or cancelled, which may have an adverse impact on our business, results of operations and cash flows. Our past as well as our existing order book and our growth rate may not be indicative of the number of orders we will receive or our growth in the future;
- we import machinery from overseas and the same is subject to certain risks which may adversely affect our business, results of operations, financial condition and cash flows;
- certain of our agreements with our key customers have onerous terms which could result in termination if breached which in turn could have a material adverse effect on our business, financial conditions, results of operations and cash flows; and
- changes in the price of solar modules, solar cells, wafers and other raw materials due to changes in demand or other factors may have a material adverse effect on our business, financial condition and results of operations.

For a further discussion on factors that could cause our actual results to differ from our expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 31, 204 and 351, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect our 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 beliefs and assumptions, which

in turn are based on the currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, the Selling Shareholders, and the BRLMs or 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. There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

In accordance with regulatory requirements of SEBI and as prescribed under applicable law, our Company will ensure that investors in India are informed of material developments from the date of filing of the Red Herring Prospectus until the date of Allotment. In accordance with the requirements of SEBI, each of the Selling Shareholders will ensure that investors are informed of material developments in relation to the statements and undertakings specifically undertaken or confirmed by it in the Red Herring Prospectus until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by each of the Selling Shareholders to the extent of information pertaining to it and/or its respective portion of the Offered Shares, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

## SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of 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”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Financial Information”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Main Provisions of the Articles of Association” beginning on pages 31, 80, 95, 119, 152, 204, 280, 401, 437 and 460, respectively, of this Draft Red Herring Prospectus.

### Summary of our primary business

As of March 31, 2024, we are India’s second largest integrated solar cell and module manufacturer as well as India’s second largest solar cell manufacturer in terms of annual installed capacity with 2 Gigawatts (“GW”) for cells and 3.36 GW for modules. (Source: F&S Report) In addition, we have a presence in other steps along the solar power value chain such as providing engineering, procurement and construction (“EPC”) solutions, operating and maintenance (“O&M”) services and being an independent power producer (“IPP”). As of the date of this Draft Red Herring Prospectus, we have five manufacturing facilities in Hyderabad, Telangana, India.

For further information, see “Our Business” on page 204.

### Summary of the industry in which we operate

Various supply side measures have put the Indian solar manufacturing sector on an accelerated growth trajectory. With immense potential for solar power generation, India is actively developing its cell and module manufacturing capabilities. The country’s module manufacturing capacity crossed the 60 GW mark in FY2024 and while its current solar cell manufacturing capacity stands at 7.2 GW, it is also poised for future exponential growth. India’s strong commitment to renewable energy, ambitious targets and favorable regulatory framework have attracted substantial investments in solar power projects, positioning India as a key player in the global solar market. (Source: F&S Report)

For further information, see “Industry Overview” on page 152.

### Promoters

The Promoters of our Company are Surender Pal Singh Saluja and Chiranjeev Singh Saluja.

For further details, see “Our Promoters and Promoter Group” on page 276.

### Offer Size

The following table summarizes the details of the Offer. For further details, see “The Offer” and “Offer Structure” on pages 80 and 432, respectively.

Offer <sup>^</sup>	Up to [●] Equity Shares, aggregating up to ₹[●] million
<i>of which</i>	
Fresh Issue <sup>(1)^</sup>	Up to [●] Equity Shares, aggregating up to ₹15,000 million
Offer for Sale <sup>(2)</sup>	Up to 28,200,000 Equity Shares, aggregating up to ₹[●] million by the Selling Shareholders
<i>The Offer consists of:</i>	
Employee Reservation Portion <sup>(3)</sup>	Up to [●] Equity Shares aggregating up to ₹[●] million.
Net Offer	Up to [●] Equity Shares aggregating up to ₹[●] million.

<sup>(1)</sup> The Offer has been authorized by a resolution of our Board dated March 12, 2024. Our Shareholders have authorised the Fresh Issue pursuant to their resolution dated March 12, 2024.

<sup>(2)</sup> Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 18, 2024. The Equity Shares being offered by each of the Selling Shareholders have been held by it for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with the SEBI and where such Equity Shares have resulted or shall result from conversion of any CCDs, such CCDs and the Equity Shares resulting from conversion thereof shall have been held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. As on the date of this Draft Red Herring Prospectus, 17,600,000 CCDs are outstanding which shall be converted into 88,000,000 Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations. For details of authorisations received from the Selling Shareholders for the Offer for Sale, see “Other Regulatory and Statutory Disclosures – Authority for the Offer - Approvals from the Selling Shareholders” on page 411.

<sup>(3)</sup> Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any). For further details, see “Offer Structure” and “Offer Procedure” on pages 432 and 437, respectively.

<sup>^</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.

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

## Objects of the Offer

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

Sr. No	Particulars	Amount <sup>^</sup> (in ₹ million)
1.	Investment in our Subsidiary, Premier Energies Global Environment Private Limited (“PEGEPL”) for part-financing the establishment of a 4 GW Solar PV TOPCon Cell and 4 GW Solar PV TOPCon Module manufacturing facility in Hyderabad, Telangana, India	11,687.38
2.	General corporate purposes <sup>(1)</sup>	[●]
	<b>Total<sup>(1)</sup></b>	<b>[●]</b>

<sup>(1)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

<sup>^</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.

For further details, see “Objects of the Offer” on page 119.

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

The aggregate pre-Offer Equity shareholding and percentage of the pre-Offer paid-up Equity Share capital, of each of our Promoters, members of our Promoter Group and Selling Shareholders as on the date of this Draft Red Herring Prospectus is set forth below:

Name	Pre-Offer			Post-Offer <sup>(2)</sup>	
	Number of Equity Shares on a fully diluted basis <sup>(1)</sup>	Percentage of pre-Offer Equity Share capital (%)	Percentage of pre-Offer Equity Share capital on a fully diluted basis <sup>(1)</sup> (%)	Number of Equity Shares	Percentage of post-Offer Equity Share capital on fully diluted basis (%)
<b>Promoters</b>					
Surender Pal Singh Saluja	16,476,120	4.93	3.90	[●]	[●]
Chiranjeev Saluja <sup>(3)</sup>	273,675,382	81.92	64.84	[●]	[●]
<b>Total (A)</b>	<b>290,151,502</b>	<b>86.85</b>	<b>68.75</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group</b>					
Vivana Saluja	5,061,990	1.52	1.20	[●]	[●]
Manjeet Kaur Saluja	5,061,856	1.52	1.20	[●]	[●]
Jasveen Kaur	2,795,940	0.84	0.66	[●]	[●]
Charandeep Singh Saluja	1,775,200	0.53	0.42	[●]	[●]
Surender Pal Saluja Trust	500	Negligible	Negligible	[●]	[●]
Chiranjeev Saluja	500	Negligible	Negligible	[●]	[●]

Name	Pre-Offer			Post-Offer <sup>(2)</sup>	
	Number of Equity Shares on a fully diluted basis <sup>(1)</sup>	Percentage of pre-Offer Equity Share capital (%)	Percentage of pre-Offer Equity Share capital on a fully diluted basis <sup>(1)</sup> (%)	Number of Equity Shares	Percentage of post-Offer Equity Share capital on fully diluted basis (%)
Trust					
<b>Total (B)</b>	<b>14,695,986</b>	<b>4.40</b>	<b>3.48</b>	[●]	[●]
<b>Selling Shareholders</b>					
South Asia Growth Fund II Holdings LLC	88,065,171	0.19	20.87	[●]	[●]
South Asia EBT Trust	567,247	Negligible	0.13	[●]	[●]
<b>Total (C)</b>	<b>88,632,418</b>	<b>0.19</b>	<b>21.00</b>	[●]	[●]
<b>Total (A+B+C)</b>	<b>393,479,906</b>	<b>91.44</b>	<b>93.23</b>	[●]	[●]

<sup>(1)</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in the aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

<sup>(2)</sup> Subject to completion of the Offer and finalization of the Allotment.

<sup>(3)</sup> Also a Selling Shareholder.

For further details, see “*Capital Structure*” beginning on page 95.

### Summary of Selected Financial Information derived from our Restated Consolidated Financial Information

The summary of selected financial information of the Company derived from the Restated Consolidated Financial Information is set forth below.

(₹ in million, unless otherwise specified)

Particulars	As at and for the nine months ended December 31, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Equity Share capital	263.46	263.46	263.46	249.51
Net worth <sup>(1)</sup>	5,112.37	3,819.76	3,933.87	2,208.31
Revenue from operations	20,172.06	14,285.34	7,428.71	7,014.58
Profit/(loss) for the period/year	1,274.02	(133.36)	(144.08)	258.07
Basic EPS <sup>(2)*^</sup> (₹)	4.84	(0.48)	(0.56)	0.94
Diluted EPS <sup>(3)*^</sup> (₹)	3.62	(0.48)	(0.56)	0.94
Net asset value per Equity Share <sup>(4)^</sup> (₹)	14.55	10.87	11.19	8.85
Total borrowings <sup>(5)</sup>	14,100.45	7,635.42	4,532.97	3,451.93

\*Not annualized for the nine months period ended December 31, 2023.

^Pursuant to a Board resolution and Shareholders' resolution each dated April 10, 2024, the Company has issued and allotted Equity Shares through bonus issue in the ratio of 0.268 Equity Shares for every one Equity Share. The EPS and Net asset value per Equity Share disclosed above are derived from the Restated Consolidated Financial Information and are not adjusted for above events occurring after the Restated Consolidated Financial Information is adopted by the Board of Directors on March 14, 2024 in accordance with Indian Accounting Standard (Ind AS) 33 “Earning Per Share”.

#### Notes:

<sup>(1)</sup> Net worth means 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 our Company on a restated basis.

<sup>(2)</sup> Basic earnings per share (₹) = Restated net profit/loss attributable to equity shareholders / weighted average number of shares outstanding during the year.

<sup>(3)</sup> Diluted earnings per share (₹) = Restated net profit/loss attributable to equity shareholders / weighted average number of dilutive equity shares.

<sup>(4)</sup> Net asset value per Equity Share (₹) = Restated net worth / Number of equity shares and potential equity shares on account of compulsory convertible debentures outstanding as at the end of period/year. Restated net worth means 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 our Company

*on a restated basis.*  
<sup>(5)</sup> *Total borrowings represent sum of current and non-current borrowings.*

For further details, see “**Restated Consolidated Financial Information**” on page 280.

### **Qualifications of the Auditor which have not been given effect to in the Restated Consolidated Financial Information**

The Statutory Auditor has not made any qualifications in their examination report, which have not been given effect to in the Restated Consolidated Financial Information.

### **Summary of Outstanding Litigation and Material Developments**

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Promoters and our Directors, as disclosed in this Draft Red Herring Prospectus as per the Materiality Policy, is provided below.

<b>Category of individuals/entities</b>	<b>Criminal proceedings</b>	<b>Tax proceedings</b>	<b>Statutory or regulatory actions</b>	<b>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action</b>	<b>Material civil litigation as per the Materiality Policy</b>	<b>Aggregate amount involved* (in ₹ million)</b>
<b>Company</b>						
By our Company	Nil	Nil	N.A.	N.A.	Nil	Nil
Against our Company	Nil	7	Nil	N.A.	Nil	65.17
<b>Directors</b>						
By our Directors	Nil	Nil	N.A.	N.A.	Nil	Nil
Against our Directors	1	Nil	Nil	N.A.	Nil	50.00
<b>Promoters</b>						
By the Promoters	Nil	Nil	N.A.	N.A.	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
<b>Subsidiaries</b>						
By our Subsidiaries	Nil	Nil	N.A.	N.A.	Nil	Nil
Against our Subsidiaries	Nil	2	Nil	N.A.	Nil	2.09

\* *To the extent quantifiable.*

As on the date of this Draft Red Herring Prospectus, there is no outstanding litigation involving our Group Companies which may have a material impact on our Company.

For further details of the outstanding litigation proceedings, see “**Outstanding Litigation and Material Developments**” beginning on page 401.

### **Risk Factors**

Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Please see “**Risk Factors**” beginning on page 31.

### **Summary of Contingent Liabilities**

The following is a summary table of our contingent liabilities as per Ind AS 37 as on December 31, 2023 as indicated in our Restated Consolidated Financial Information.

<b>Sr. No.</b>	<b>Particulars</b>	<b>As on December 31, 2023</b>
1.	Outstanding bank guarantees	2,112.60
2.	Claims arising from disputes not acknowledged as debts-direct taxes	33.53

Sr. No.	Particulars	As on December 31, 2023
3.	Claims arising from disputes not acknowledged as debts-indirect taxes	69.85
4.	Corporate guarantee given for the borrowings taken by the Group	12,523.90
5.	Comfort letter given for the borrowings taken by the Group	2,435.40

As on December 31, 2023, our Company has a contingent liability of ₹809.87 million (March 31, 2023: ₹407.66 million, March 31, 2022: ₹ nil, March 31, 2021: ₹ nil) towards customs duty and goods and services tax for capital goods imported under the MOOWR scheme against which our Company has executed and utilized bond as at December 31, 2023, amounting to ₹2,429.61 million (March 31, 2023: ₹1,222.98 million, March 31, 2022: ₹ nil, March 31, 2021: ₹ nil). The firm liability towards such customs duty shall be contingent upon conditions at the time of filing an ex-bond bill of entry at the time of disposal. In case, our Company decides to export such capital goods, the associated costs shall not be significant. Based on our Company's assessment of use of capital goods, management expects that liability will not arise for the same.

For further details, please see “**Restated Consolidated Financial Information – Note 39 – Contingent Liabilities**”, “**Management's Discussion and Analysis of Financial Condition and Results of Operations**” and “**Outstanding Litigation and Material Developments**” beginning on pages 331, 351 and 401, respectively.

### Summary of Related Party Transactions

The following is the summary of transactions with related parties as at and for the nine months ended December 31, 2023 and as at and for Fiscals 2023, 2022 and 2021, as per the requirements under Ind AS 24.

(₹ in million)					
Related parties with whom transactions have taken place	Nature of transaction	As at and for the nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Premier e-sol Technologies	Sale of Goods	-	-	-	28.15
Premier Lords Private Limited	Sale of Goods	-	-	13.33	27.93
PCS Premier Energy Private Limited	Sale of Goods	-	-	3.49	-
Watertech Engineers	Sale of Goods	-	-	31.42	28.15
Svarog Global Power Private Limited	Sale of Goods	-	-	10.28	-
Saimeg Infrastructure Private Limited	Sale of Goods	-	-	0.03	-
K V R Constructions	Sale of Goods	-	-	0.04	-
Benten Developers Private Limited	Sale of Goods	-	-	17.00	-
Svarog Global Power Private Limited	Sale of Services	5.47	-	7.31	17.03
Vensol (Bidar) Energy Private Limited	Sale of Services	3.10	6.55	3.63	3.43
Vensol (Nirna) Energy Private Limited	Sale of Services	3.10	3.92	3.63	3.36
Vinsol (Hubli) Energy Private Limited	Sale of Services	2.15	2.74	2.56	2.36
Mavyatho Ventures Private Limited	Sale of Services	2.22	2.84	2.60	2.50
K V R Constructions	Sale of Services	1.39	1.86	1.89	-
Rainbow Associates	Sale of Services	-	-	0.05	-
Saimeg Infrastructure Private Limited	Sale of Services	1.39	1.86	1.86	-
Premier e-sol Technologies	Sale of Services	-	-	-	15.58
Watertech Engineers	Purchase of Goods	-	3.40	15.78	77.79
Premier Lords Private Limited	Purchase of Goods	-	-	15.63	42.66
Premier e-sol Technologies	Purchase of Goods	-	-	-	15.58
Primepack Supports Private Limited	Purchase of services	13.85	4.03	-	-
Brightstone Developers Private Limited	Purchase of services	6.89	8.74	6.32	-
Niyathi Madasu Advisory Inc.	Purchase of services	11.31	-	-	-
Watertech Engineers	Purchase of services	-	0.08	0.08	0.16

Related parties with whom transactions have taken place	Nature of transaction	As at and for the nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Chiranjeev Singh Saluja	Interest expense on Loan taken	-	2.86	0.65	0.19
Sudhir Moola	Interest expense on Loan taken	0.09	0.12	1.34	-
Surender Pal Singh Saluja	Interest expense on Loan taken	-	0.03	0.11	-
Brightstone Developers Private Limited	Interest expense on Loan taken	3.23	1.38	0.20	-
Brightstone Developers Private Limited	Interest Income on Loan given	-	-	0.83	-
Surender Pal Singh Saluja	Interest Income on Loan given	1.66	0.78	-	-
Mavyatho Ventures Private Limited	Interest Income on Loan given	0.07	-	-	0.61
Mavyatho Ventures Private Limited	Purchase of Investments in	-	-	-	6.10
AKR Construction (Solar) Private Limited	Purchase of Investments in	-	-	0.53	-
Renovar Energy Private Limited	Sale of investments of	-	4.64	-	-
Premier Lords Private Limited	Sale of investments of	-	-	0.24	-
AKR Construction (Solar) Private Limited	Sale of investments of	-	0.27	-	-
Ramesh Naidu	Consultancy charges	-	-	2.06	0.71
Kuldip Singh Saluja	Consultancy charges	-	-	-	0.83
Premier Foundation	Contribution towards CSR	-	2.19	3.56	12.39
Surender Pal Singh Saluja	Reimbursement of expenses	0.79	0.10	0.32	0.09
Chiranjeev Singh Saluja	Reimbursement of expenses	2.14	5.13	0.28	0.25
Niyathi Naidu	Purchase of asset	-	-	15.96	34.20
Ramesh Naidu Madasu	Purchase of asset	-	-	18.00	-
Chiranjeev Singh Saluja	Loans taken	-	21.85	34.85	10.00
Sudhir Moola	Loans taken	-	-	7.56	20.00
Brightstone Developers Private Limited	Loans taken	1.50	40.45	-	15.60
Surender Pal Singh Saluja	Loans taken	-	0.31	0.10	-
Sudhir Moola	Loans repaid during the year	-	-	26.30	-
Brightstone Developers Private Limited	Loans repaid during the year	20.87	-	15.60	-
Chiranjeev Singh Saluja	Loans repaid during the year	-	14.00	59.24	0.05
Surender Pal Singh Saluja	Loans repaid during the year	-	-	3.45	-
Mavyatho Ventures Private Limited	Loan given during the year	2.50	-	-	-
Surender Pal Singh Saluja	Loan given during the year	-	21.99	-	-
Surender Pal Singh Saluja	Remuneration paid	4.81	6.45	6.45	5.48
Chiranjeev Singh Saluja	Remuneration paid	6.29	8.40	8.40	8.40
Jasveen Kaur	Remuneration paid	1.31	1.20	1.20	1.20
Revathi Rohini Buragadda	Remuneration paid	2.40	2.91	1.80	1.80
Sudhir Moola	Remuneration paid	4.94	6.00	6.00	6.15
Mohan Preet Singh Khurana	Remuneration paid	1.74	1.74	1.70	-
Priyadarshan Sureshchandra Bhatewara	Remuneration paid	-	11.37	5.75	-
Nand Kishore Khandelwal	Remuneration paid	5.49	-	-	-
Kalkur Shantipriya	Remuneration paid	-	-	0.50	-
Shruti Walia	Remuneration paid	-	-	0.62	-
Sreenivas Rao Ravella	Remuneration paid	2.11	2.60	0.05	-
Rohan Mehta	Director sitting fees	0.10	0.06	0.23	-



Related parties with whom transactions have taken place	Nature of transaction	As at and for the nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Uday Sudhir Pilani	Director sitting fees	0.07	0.04	0.23	-

For details of the related party transactions in accordance with Ind AS 24, see “*Restated Consolidated Financial Information – Note 43 – Related Party Disclosures*” on page 335.

### Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, 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.

### Details of price at which specified securities were acquired by our Promoters, members of the Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other rights in the last three years preceding the date of this Draft Red Herring Prospectus

Set out below are details of the price at which specified securities were acquired by the Promoters, members of the Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other rights acquired specified securities in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of acquirer / shareholder	Nature of the transaction	Nature of specified securities	Face value (in ₹)	Date of acquisition	Number of specified securities	Acquisition price per specified security (in ₹)*
<b>Promoters</b>						
Chiranjeew Singh Saluja <sup>(1)</sup>	Gift	Equity Shares	1	March 21, 2024	9,207,500	Nil
Chiranjeew Singh Saluja <sup>(1)</sup>	Gift		1	March 21, 2024	60,529,820	Nil
Chiranjeew Singh Saluja <sup>(1)</sup>	Bonus		1	April 10, 2024	57,843,062	Nil
Surender Pal Singh Saluja	Bonus		1	April 10, 2024	3,482,440	Nil
<b>Promoter Group</b>						
Surender Pal Singh Trust	Gift	Equity Shares	1	April 10, 2024	500	Nil
Chiranjeew Singh Trust	Gift		1		500	Nil
Vivana Saluja	Bonus		1		10,69,990	Nil
Manjeet Kaur Saluja	Bonus		1		10,69,856	Nil
Jasveen Kaur	Bonus		1		590,940	Nil
Charandeep Singh Saluja	Bonus		1		3,75,200	Nil
<b>Selling Shareholders (including Shareholders with right to nominate directors or other rights)</b>						
South Asia Growth Fund II Holdings LLC	Private Placement	Equity Shares	1	September 28, 2021	495,561	20.05
	Bonus	Equity Shares		April 10, 2024	132,810	Nil
	Preferential Allotment	CCDs	100	September 28, 2021	17,487,360	100.00
South Asia EBT Trust	Private Placement	Equity Shares	1	September 28, 2021	3,192	20.05
	Bonus	Equity Shares		April 10, 2024	855	Nil
	Preferential Allotment	CCDs	100	September 28, 2021	112,640	100.00

\*As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated April 19, 2024.

<sup>(1)</sup> Also a Selling Shareholder with a right to nominate directors or other rights.

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

The weighted average price at which the specified securities were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus is as follows.

Name	Number of specified securities acquired in last one year	Specified Security	Weighted average price of specified securities acquired in the last one year (in ₹)
<b>Promoters</b>			
Surender Pal Singh Saluja	3,482,440	Equity Shares	Nil**
Chiranjeev Singh Saluja <sup>(1)</sup>	127,580,382	Equity Shares	Nil*
<b>Selling Shareholders</b>			
South Asia Growth Fund II Holdings LLC	132,810	Equity Shares	Nil**
South Asia EBT Trust	855	Equity Shares	Nil**

As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated April 19, 2024.

<sup>(1)</sup> Also a Selling Shareholder.

\* Equity shares were acquired pursuant to gift and bonus issue.

\*\* Equity shares were acquired pursuant to bonus issue.

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

The average cost of acquisition per Equity Share by our Promoters and the Selling Shareholders as on the date of this Draft Red Herring Prospectus is as follows.

Sr. No.	Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
<b>Promoters</b>			
1.	Surender Pal Singh Saluja	16,476,120	0.32
2.	Chiranjeev Singh Saluja <sup>(1)</sup>	273,675,382	0.25
<b>Selling Shareholders</b>			
1.	South Asia Growth Fund II Holdings LLC	628,371	15.81
2.	South Asia EBT Trust	4,047	15.81

\* As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated April 19, 2024.

<sup>(1)</sup> Also a Selling Shareholder.

### Weighted average cost of acquisition of all shares transacted in last one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition <sup>#</sup> (in ₹)	Cap Price is 'x' times the weighted average cost of acquisition <sup>^</sup>	Range of acquisition price: lowest price – highest price (in ₹)
Last one year	Nil	[●]	N.A.*
Last 18 months	Nil	[●]	N.A.*
Last three years	7.98	[●]	N.A.* – 20.05

As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated April 19, 2024.

<sup>#</sup> Calculated on a fully diluted basis.

<sup>^</sup> To be updated upon finalization of the Price Band.

\* Equity Shares acquired pursuant to gift and bonus issue.

### Details of Pre-IPO Placement

Our Company, in consultation with the BRLMs, may consider an issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.

### Issue of Equity Shares for consideration other than cash or bonus issue in the last one year

Except as disclosed below and in “*Capital Structure - Shares issued for consideration other than cash and by way of bonus issuance*” on page 101, 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.

Date of allotment	Reason/Nature of allotment	Names of allottees	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Benefits accrued to our Company
April 10, 2024	Bonus issue as on the record date i.e. April 10, 2024 in the ratio of 0.268 Equity Shares for every one Equity Share held	132,810 Equity Shares were allotted to South Asia Growth Fund II Holdings LLC, 855 Equity Shares were allotted to Orbis Trusteeship Services Private Limited (Trust of South Asia EBT Trust), 57,843,062 Equity Shares were allotted to Chiranjeev Singh Saluja, 3,482,440 Equity Shares were allotted to Surender Pal Singh Saluja, 1,069,990 Equity Shares were allotted to Vivana Saluja, 1,069,856 Equity Shares were allotted to Manjeet Kaur Saluja, 590,940 Equity Shares were allotted to Jasveen Kaur, 375,200 Equity Shares were allotted to Charandeep Singh Saluja, 603,000 Equity Shares were allotted to Niyathi Naidu Madasu, 134,000 Equity Shares were allotted to Vignesh Nallapareddy, 3,194,560 Equity Shares were allotted to Sudhir Moola, 1,471,209 Equity Shares were allotted to PEL ESOP Trust and 638,912 Equity Shares were allotted to Niha Technologies Private Limited	70,606,834	1	N.A.	-

#### **Split / Consolidation of Equity Shares in the last one year**

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

#### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not sought for any exemptions from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Potential investors should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. This Draft Red Herring Prospectus contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including the considerations described in this section and elsewhere in this Draft Red Herring Prospectus. See “**Forward-Looking Statements**” on page 20 of this Draft Red Herring Prospectus. For further information, see “**Restated Consolidated Financial Information**” on page 280.*

*We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, our Equity Shares, or the industry in which we currently operate or propose to operate. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse impact on our business, results of operations, cash flows and financial condition. If any or a combination of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition may be adversely affected, the price of the Equity Shares could decline, and investors may lose all or part of their investment.*

*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.*

*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. To obtain a complete understanding of our business, you should read this section in conjunction with the sections titled “**Industry Overview**”, “**Our Business**”, “**Restated Consolidated Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 152, 204, 280 and 351, respectively, of this Draft Red Herring Prospectus, as well as the other financial information contained in this Draft Red Herring Prospectus.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled “**Industry Report on Solar Cell and Module Market**” dated April 18, 2024 (“**F&S Report**”) prepared and issued by Frost & Sullivan (India) Private Limited (“**F&S**”), appointed by us on February 6, 2024 and exclusively commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S 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**” on page 60. F&S is an independent agency and is not related to the Company, its Directors, Promoters, Selling Shareholders, Subsidiaries or BRLMs.*

*Our Financial Year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Financial Year are to the 12 months ended March 31 of that year. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Consolidated Financial Information included in the section titled “**Restated Consolidated Financial Information**” on page 280.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Premier Energies Limited and its Subsidiaries, associates and joint ventures on a consolidated basis and references to “the Company” or “our Company” refers to Premier Energies Limited on a standalone basis.*

### **Internal Risk Factors**

- 1. Our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

The table below sets forth our revenue from our largest customer, our top five customers and our top 10 customers (the identities of which varied between fiscal years and periods) as a percentage of our revenue from operations for the year / period indicated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
Largest customer	987.41	14.08	1,473.44	19.83	2,623.60	18.37	2,323.45	11.52
Top 5 customers	3,325.61	47.41	3,736.32	50.30	8,185.86	57.30	10,014.08	49.64
Top 10 customers	4,526.03	64.52	4,918.01	66.20	10,794.63	75.56	15,049.48	74.61

Since we are dependent on certain key customers for a significant portion of our revenue, the loss of any one or more of such key customers for any reason (including due to loss of contracts or failure to negotiate acceptable terms in contract renewal negotiations, disputes with customers, adverse change in the financial condition of such customers, including due to possible bankruptcy or liquidation or other financial hardship, merger or decline in their sales, reduced or delayed customer requirements, plant shutdowns, labor strikes or other work stoppages) could have an adverse effect on our business, results of operations and financial condition. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Principal Factors Affecting our Financial Condition and Results of Operations – Relationship with key customers*” on page 356.

In addition to these factors, these key customers may also replace us with our competitors or replace their existing products with alternative products which we do not supply or could refuse to renew existing arrangements on terms acceptable to us or at all. Our customers are also entitled to terminate their agreements with us for a number of reasons, including if we fail to adhere to the specifications in terms of the agreement. For further details on our contracts with customers, see “*Risk Factors – Certain of our agreements with our key customers have onerous terms which could result in termination if breached which in turn could have a material adverse effect on our business, financial condition, results of operations and cash flows*” on page 37. As we generally have short to medium term arrangements ranging from two months to three years including long term agreements for the supply of our products to our customers, which may in certain circumstances be extended by mutual agreement and thus have few long term agreements with such customers, there can be no assurance that our significant customers in the past will continue to place similar orders with us in the future. While none of our customers has terminated their arrangements with us in the past three Fiscals and the nine months ended December 31, 2023, there can be no assurance that we will be able to maintain our existing volume of business with these key customers or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers. We cannot assure you that we will be able to maintain historic levels of business from our key 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.

2. *We derive a significant amount of revenue from only two product categories namely, solar cells and modules, and therefore their continued success is necessary for our business and prospects.*

The primary products we manufacture are solar cells and solar modules. The table below sets forth our income from the manufactured solar cells and solar modules as a percentage of our revenue from operations for the year / period indicated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Income from sale of manufactured goods	—	—	336.01	4.52	1,856.26	12.99	4,037.30	20.01
Sale of solar cells	3,327.67	47.44	2,843.00	38.27	9,566.51	66.97	13,651.70	67.68
Sale of solar modules								

We are therefore exposed to the changes in demand for solar cells and modules manufactured using monocrystalline technology which would affect our business, profitability and prospects. Demand for, and widespread adoption of, solar power technology, is generally affected by the following:

- cost-effectiveness, performance and reliability of solar power compared to traditional energy sources and other renewable energy sources and the availability of grid capacity to dispatch power generated from solar power projects;
- performance, reliability and levelized cost of energy using monocrystalline technology compared to thin film technology, heterojunction technology (“HJT”) and other competing technologies;
- success of other alternative energy generation technologies such as wind power, nuclear, hydroelectric power and biomass power;
- public perceptions of the direct and indirect benefits of adopting solar renewable energy technology;
- the availability of suitable storage solutions for solar energy to ensure continuity of energy supply;
- price volatility of solar power equipment;
- the availability of land for installation of solar projects;
- seasonality and weather conditions impacting installation and generation of solar power;
- fluctuations in economic and market conditions that may affect the viability of traditional and other alternative renewable energy sources such as increases or decreases in the prices of oil and other fossil fuels;
- decreases in capital expenditures by end-users of solar power projects;
- the cost of capital and availability of credit, loans and other forms of financing for solar power projects;
- the availability of government subsidies and incentives to support the development of the solar power industry, such as capital cost rebates, feed-in tariffs, tax credits, net metering and other incentives to end users;
- regulations and policies governing the solar power or electric utility industries that may present technical, regulatory or economic barriers to the establishment of solar power projects and the purchase and use of solar energy; and
- alternate technologies, though unforeseen at this stage, which may provide more cost-effective energy generation.

Our business depends entirely upon our ability to manufacture and sell solar cells and modules using monocrystalline technology on a profitable basis. If the demand for solar power or solar power projects fails to develop or takes longer to develop than we anticipate, our revenues may decline and we may be unable to sustain our profitability. Further, the lack of product diversification may make the results of our operations more volatile than if we manufactured more than two types of products.

3. *An increasing amount of our income is derived from our export of solar modules and cells which we are in the process of expanding. Such expansion plans and exports may be dependent on the policies passed by the governments of export countries and any unfavorable change in such policies may adversely affect our business.*

We export our products to various international markets including North America, Asia, the Middle East and North Africa region and certain countries in Europe. Our largest export jurisdictions for the nine months ended December 31, 2023 were the United States and Hong Kong. The table below sets forth our total export sales and export sales in our top jurisdictions as a percentage of our revenue from operations for the year / period indicated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
United States	—	—	—	—	—	—	1,884.97	9.34
Hong Kong	—	—	—	—	—	—	1,421.66	7.05
Others <sup>(1)</sup>	90.66	1.29	68.12	0.92	74.96	0.52	138.30	0.69
<b>Total export sales</b>	<b>90.66</b>	<b>1.29</b>	<b>68.12</b>	<b>0.92</b>	<b>74.96</b>	<b>0.52</b>	<b>3,444.93</b>	<b>17.08</b>

**Note:**

(1) "Others" includes South Africa, Bangladesh, Norway, Nepal, France, Malaysia, Canada, Sri Lanka, Germany, Hungary, the United Arab Emirates and Uganda.

Our export markets are subject to inherent risks which could have an adverse effect on our business, results of operations and prospects, including:

- the impact of adverse geo-political and economic conditions in foreign countries affecting our customers' confidence and behavior;
- volatility in foreign currency rates and volatility and laws, rules and regulations governing convertibility;
- difficulties in managing exports to multiple international locations and their market conditions;
- changes in solar industry practices or trends;
- changes in customs laws and regulations;
- sensitivity to traceability of goods and human rights and labor issues (such as forced labor and child labor) in connection with the sourcing of raw materials and components;
- trade and financing barriers, and differing business practices; and
- economic instability or political unrest such as crime, strikes, riots, civil disturbances, terrorist attacks and wars.

In addition, anti-dumping and countervailing or anti-subsidy duties imposed on solar cells imported from India may restrict our export customers' choice of suppliers, which may result in a reduced demand for our products outside India, thereby materially and adversely affecting our profitability, financial condition and results of our operations. If there is an economic slowdown or other factors that affect the economic health of our key exporting countries, our export customers may reduce or postpone their requirements significantly, which may in turn lower the demand for our products and have a material adverse effect on our revenues and profitability. The loss of any significant export market because of these events or conditions could have a material adverse effect on our business, results of operations and financial condition.

In order to cater to growing market demand for our products, we are in the process of establishing a foothold in markets where we do not currently have a significant presence and prior experience, such as the United States. In connection with such plans, we signed a letter of intent in February 2024 with an American solar manufacturer to enter into a joint venture to develop, construct and operate a tunnel oxide passivated contact ("TOPCon") solar cell manufacturing facility (which may include the manufacturing of solar modules) in the United States. There can be no assurance, however, that we will enter into a binding agreement to establish this joint venture or, if it is

established, that the joint venture will yield the results expected. 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, cash flows, results of operations and prospects”** on page 57.

Sales to customers in the United States in particular are subject to various geo-political policies that govern import restrictions and control prices of our products. For example, we face increased compliance and operational risks due to the Uyghur Forced Labor Prevention Act (“UFLPA”) enacted by the United States. The UFLPA presumes that goods manufactured in or raw materials sourced from the Xinjiang Uyghur Autonomous Region of China are made with forced labor and, therefore, prohibits their entry into the U.S. market. Given the global nature of supply chains, particularly within the solar industry, where raw materials and components such as polysilicon are often sourced from multiple regions including the Xinjiang region, our products are and may continue to be subject to enhanced scrutiny. Any failure to fully document and verify that our supply chain and products are free from materials or components linked to forced labor in Xinjiang could cause a customer to cease purchasing products from us or could lead to a ban on our products in the United States under the UFLPA. We rely on traceability documents from our suppliers in China to prepare and document traceability of our supply chain to customers in the U.S. In the event a supplier provides us inaccurate or misleading information, and such supplier is revealed to have been non-compliant with the UFLPA, we could be exposed to liability from our U.S. customers and U.S. regulatory authorities to the extent our products in the U.S. market are traced to such non-compliant suppliers. While there have been no instances in the past, the infringement of this or other human rights related policies could result in our products being banned from such export markets and any negative publicity surrounding an infringement of human rights policies could affect our reputation which, in turn, affects our ability to attract and/or retain customers which may adversely affect our business and results of operations.

The demand for our products in the U.S. is also subject to the U.S. Department of Commerce’s final determination on imposition of duties on solar cells and modules found to have circumvented prevailing import restrictions by assembling products outside China using components sourced from China. If countervailing duties are not imposed on such circumventing suppliers, it could increase the competition for our products in the U.S. market and reduce demand for our products. In addition, the United States, through the U.S. Inflation Reduction Act, seeks to encourage local manufacturing of cells and modules, which could impact the demand for our products in the U.S. market as local manufacturing increases. Any change in government policies and regulations, including any imposition of additional duties, pre-conditions or ban imposed by the United States may have an adverse impact on our exports and our results of operations. (Source: F&S Report)

Additionally, our competitors may have a more established presence in the U.S., including through customer relationships and brands, and there can be no assurance that our plans to grow our operations in the U.S. will be successful. Furthermore, 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 of these expenses and additional ongoing compliance costs on account of the U.S. regulatory regime, 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.

**4. Restrictions or import duties levied on raw materials we use in our manufacturing operations may adversely affect our business prospects, financial performance and cash flows.**

A significant portion of the raw materials we use in the production of our solar cells and modules are imported from China and other Southeast Asian jurisdictions. We also source certain raw materials from domestic suppliers. The table below sets forth our cost of imported raw materials from China and other countries as a percentage of our total purchases for the year / period indicated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
	Amount	Percentage of total purchases	Amount	Percentage of total purchases	Amount	Percentage of total purchases	Amount	Percentage of total purchases
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Cost of imported materials from China	1,169.45	22.27	3,057.09	41.36	6,982.59	44.03	7,842.58	46.91



	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
Cost of imported materials from other countries	718.78	13.69	1,436.34	19.43	1,704.63	10.75	2,855.98	17.08

Our supply chain in respect of raw materials is subject to legislative and policy restrictions, both domestic and international, which include, among others, those relating to human rights and in particular, forced and child labor. Any restrictions, either from the GoI or any state or provincial government or governmental authority, or, in relation to our imported raw materials, from any applicable bilateral or multilateral organizations, may adversely affect our business, results of operations and prospects. For example, the GoI introduced the safeguard duty in July 2018 on the import of solar cells which was applicable until July 2021 and replaced with a significantly higher basic customs duty of 25% on solar cells with effect from April 1, 2022. The imposition of such high basic customs duty on imported solar cells has impacted our cost of materials in the manufacture of solar modules.

In the event we are unable to continue procuring these raw materials from our current suppliers or face significant restrictions in doing so, there can be no assurance that we will be successful in sourcing the raw materials we require from alternate suppliers on favorable terms, in a timely manner or at all, which could in turn adversely impact our results of operations and business prospects.

**5. Orders in our order book may be delayed, modified or cancelled, which may have an adverse impact on our business, results of operations and cash flows. Our past as well as our existing order book and our growth rate may not be indicative of the number of orders we will receive or our growth in the future.**

As of March 15, 2024, we had an order book of ₹53,620.51 million of which ₹11,974.98 million was in relation to non-DCR solar modules, ₹32,129.03 million was in relation to DCR solar modules, ₹8,015.92 million was in relation to solar cells and ₹1,500.57 million was in relation to EPC projects. For further information on our order book, see “*Our Business – Strengths – We have a diversified customer base with strong customer relationships both within India and overseas with a strong order book*” on page 211.

We prepare our order book on the basis of outstanding work and the time expected to complete contracts forming part of the order book. Our order book may be materially impacted if the time taken or amount payable for completion of any ongoing order of our Company changes. The growth of our order book is a cumulative indication of the revenues that we expect to recognize in future periods with respect to our existing contracts. Furthermore, we cannot guarantee that the income anticipated in our order book will be realized, or, if realized, will be realized on time or result in profits. Our past as well as our existing order book and our growth rate may not be indicative of the number of orders we will receive or our growth in the future.

Our order book only represents business that is confirmed by way of executed letters of acceptance, agreements or purchase orders, although this is subject to, among other things, cancellation or early termination due to any breach of our contractual obligations, our inability to deliver products within the stipulated time or failure to supply products as per the specifications that have been agreed upon, failure to maintain any license or the suspension or revocation of license, non-payment by our customers, delays in the initiation of our production, unanticipated variations or adjustments in the scope and schedule of our obligations for reasons outside our and our customers’ control or change in budget appropriations. Accordingly, we cannot predict with certainty the extent to which an order forming part of our order book will be performed. While none of our orders have been cancelled or terminated prematurely in the past three Fiscals and nine months ended December 31, 2023 and from January 1, 2024 until the date of this Draft Red Herring Prospectus, there can be no assurance that orders will be cancelled or terminated prematurely in the future, and we will receive any applicable termination payments in time or at all or that the amount paid will be adequate to enable us to recover its investments in respect of the prematurely cancelled order. In such events, we may have to bear the actual costs for such production incurred by us which may exceed the agreed work, as a result of which our future earnings may be lower from the amount of the order book and if any of the forgoing risks materialize, our cash flow position, revenues and earnings may be adversely affected.

For some of the contracts in our order book, our customers are obliged to perform or take certain actions before they can install our products at their facility. These obligations include acquiring land, securing rights of way, securing required licenses, authorizations or permits, making advance payments or procuring financing, approving designs, approving supply chain vendors and shifting existing utilities. If customers do not perform these and other actions in a timely manner or at all, they could delay collection of finished products from our facilities which

could result in a delay in collecting receivables by us. Also see, ***“Risk Factors – We have significant working capital requirements and our inability to meet such working capital requirements may have an adverse effect on our results of operations”*** on page 41. In addition, if these circumstances have not been addressed in our contracts with customers, our projects could be delayed, modified or cancelled and as a result, our business, results of operations and financial condition could be materially and adversely affected.

In particular, we are also highly dependent on projects awarded by government entities / public sector undertakings (“PSU”). As of March 15, 2024, the split between PSU and private companies in our order book and for which amounts may be receivable in the next 12-24 months was 41.73% and 58.27%, respectively. Any adverse change in the policies adopted by the government regarding award of its projects or our existing relationship with the government may adversely affect our ability to win such projects. In addition, we benefit from policies adopted by the government in respect of solar power developments, including incentives granted, resource and budgetary allocation and concessions. Any changes in these existing policies could adversely affect our existing projects and opportunities to secure new projects. For details of certain of these policies and incentives, see ***“Key Regulations and Policies in India”*** on page 236. Further, interaction with government entities is critical to the development and ongoing operations of our projects, and as a result projects may get delayed or disrupted due to, among other things, extensive internal processes, policy changes, government or external budgetary allocation and insufficiency of funds. To the extent that any of the projects awarded to us by the government entities are delayed, disrupted or cancelled our cash flows, business, results of operations and financial condition may be adversely affected. Any adverse changes in government policies may lead to our agreements being restructured or renegotiated, which could adversely affect our financing, capital expenditure, capacity utilization, revenues, cash flows or operations relating to existing projects as well as our ability to participate in competitive bidding or bilateral negotiations for future projects.

***6. We import machinery from overseas and the same is subject to certain risks which may adversely affect our business, results of operations, financial condition and cash flows.***

We import machinery from overseas to support our operations. In particular, we import all of our module manufacturing tools and a part of our solar cell manufacturing tools from China. Further, quotations for approximately 26.55% of the equipment and machinery that we propose to deploy in the proposed additional 4 GW capacity TOPCon cell line and 4 GW capacity solar module line that we plan to set up using a portion of the proceeds of the Offer (the ***“Project”***), are being sourced from Chinese vendors. For further details, see ***“Objects of the Offer”*** on page 119. Importing such machinery entails several risks and challenges that could adversely affect our business, results of operations, financial condition and cash flows, such as changes in government policies or trade agreements could lead to increased tariffs or import restrictions, resulting in higher costs or difficulties in importing machinery which could lead to a delay in our operations, impact our production schedules and overall business operations.

For instance, China recently revised its catalogue of technologies prohibited or restricted from export. (*Source: F&S Report*) While the manufacturing tools that we currently procure from China are not subject to such restrictions, there can be no assurance that they will not be restricted in the future. (*Source: F&S Report*) In the event the catalogue is revised further to include the technologies and tools we use in our operations and procure from China, we may be unable to successfully source these technologies and tools from alternate vendors at comparable prices or with comparable performance capabilities, which could ultimately impact our capital cost and adversely impact our profitability. (*Source: F&S Report*) In addition, PEGEPL has not considered customs duty for import of equipment to be deployed in the Project as it proposes to avail benefits under the Manufacturing and Other Operations in Warehouse Regulations (***“MOOWR”***) / Export Promotion Capital Goods (***“EPCG”***) scheme of the Government of India for the Project and accordingly, the cost of components proposed to be imported do not include any expenditure towards customs and other import duties. However, should these benefits not be available for any reason including due to being scrapped, our profitability may get negatively impacted. Furthermore, political, economic, or logistical disruptions in the country of origin could also lead to delays in delivery, interruptions in the supply chain, or challenges in obtaining technical support which could impact our production schedules or result in a loss of business opportunities. Any of these risks could disrupt our operations, and ultimately, adversely affect our business, results of operations, financial condition and cash flows.

***7. Certain of our agreements with our key customers have onerous terms which could result in termination if breached which in turn could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Under the terms of our agreements and the purchase orders through which our business is conducted, with certain of our key customers, our customers have the option to terminate such contract or cancel the orders with cause or without cause at either relatively short notice post execution of such contract but before such customer delivers to us a written notice to proceed (upon the receipt of which the order can no longer be cancelled). 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 with no further liability or obligation to us, in terms of the agreement. We also have liabilities in a number of situations including where damages are imposed by Government authorities relating to tax, environment, social or labor responsibilities, claims of infringements of intellectual property, and breaches of anti-corruption and anti-bribery laws to which we are subject. In the event such risks materialize, our business, financial condition, results of operations and cash flows could be materially adversely affected. In the event of termination due to our default, we are also required to pay the customers differentiated costs actually incurred by the customer on completion of supply at the prevailing market rates for the supplies not delivered by the date of termination.

**8. Changes in the price of solar modules, solar cells, wafers and other raw materials due to changes in demand or other factors may have a material adverse effect on our business, financial condition and results of operations.**

Solar modules are assembled with solar cells and in order to manufacture solar cells, we require multiple raw materials including wafers. The price of solar modules is dependent on the price of solar cells which is in turn based on the price of wafers which can be volatile and unpredictable. The cost of wafers and other raw materials used in the manufacturing of our solar cells constitute a significant portion of our total manufacturing costs.

The table below sets forth our cost of materials consumed as a percentage of our total expenses for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
	Amount	Percentage of total expenses	Amount	Percentage of total expenses	Amount	Percentage of total expenses	Amount	Percentage of total expenses
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Cost of materials consumed	4,768.23	70.01	3,987.20	50.86	11,105.19	75.43	15,660.27	84.24

There can be no assurance that the price of such raw materials will decline or stabilize at a particular level. Further, there can be no assurance that the price of raw materials will not increase in the future or that we will be able to pass on such increases entirely to our customers. In times of scarcity, suppliers could substantially increase their prices. Additionally, the prices of our raw materials fluctuate based on a number of factors outside our control, including general economic conditions, competition, commodity market fluctuations, the quality and availability of supply, currency fluctuations, consumer demand, manufacturing capacity, transportation costs, import duties and government policies and regulations. For instance, some raw materials including wafers used in manufacturing of cells, and cells used in our solar modules, are sourced from China. Any increase in duties on export of wafers or cells by China or any disruption in the supply of wafers or cells from China could result in an increase in the cost of materials consumed, thereby adversely affecting our results of operations and cash flows.

The failure to achieve corresponding sales price increases in a timely manner, sales price erosion without a corresponding reduction in raw material costs or failure to re-negotiate favorable raw material supply contracts are factors that may have a material adverse effect on our business, financial condition and results of operations.

**9. We do not have long-term agreements with our suppliers for materials and components and an inability on the part of such suppliers to supply, in a timely manner, the desired quality and quantity of materials and components, may adversely affect our operations.**

Our ability to remain competitive, maintain costs and profitability depends, in part, on our ability to source and maintain a stable and sufficient supply of materials and components at quality levels we require. Our major

requirements of materials and components include, *inter alia*, wafer, solar cells, backsheets, encapsulants, glass, aluminum panels, junction box, ribbon and busbar. We depend on external suppliers for the materials and components we require 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 suppliers. Absence of long-term supply contracts subject us to risks such as price volatility caused by various factors such as commodity market fluctuations, currency fluctuations, climatic and environmental conditions, production and transportation costs, changes in domestic as well as international government policies, and regulatory and trade sanctions. 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. Although we have not faced significant disruptions in the procurement of materials and components 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. See **“Risk Factors – We are dependent on third-party transportation providers for the transport of raw materials for our manufacturing process and delivery of our finished products”**.

Any delay in supplying finished products to our customers in accordance with the terms and conditions of the purchase orders, such as delivery within a specified time, or delayed material or component supply, could result in the customer refusing to accept our products, which could have an adverse effect on our business and reputation. In the event our suppliers fail to deliver quality materials and components in a timely manner, there can be no assurance that we will be able to identify alternate suppliers or be able to procure our materials and components on terms acceptable to us, which could have an adverse effect on our ability to source materials and components in a commercially viable and timely manner. Continued supply disruptions could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could negatively affect our business, overall profitability and financial performance.

**10. We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer. Our funding requirements and deployment of the Net Proceeds of the Offer are based on management estimates and a project cost vetting report from RCT Solutions GmbH and have not been independently appraised. Our management will have broad discretion over the use of the Net Proceeds.**

We intend to use the Net Proceeds of the Offer for the purposes described in **“Objects of the Offer”** on page 119 including towards investment in our Subsidiary, PEGEPL, for part-financing the Project. The total estimated cost to establish the Project is ₹34,642.75 million, and such cost is based on management estimates in accordance with our business plan, and as certified by RCT Solutions GmbH (**“RCT”**) in its project cost vetting report dated April 18, 2024 (the **“RCT Report”**). We have yet to make any payment for purchase of, or place any orders for, plant or machinery in relation to such Project, and there is no assurance that we will be able to place such orders in a timely manner or at all. We have not entered into any definitive arrangements to utilize the Net Proceeds for the Project and have relied on the quotations received from third parties to estimate the cost of the Project. While we have obtained 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 the actual costs incurred in relation to this project will be similar to and not exceed the amounts indicated in the third-party quotations.

The completion of the Project is dependent on the performance of external agencies, which are responsible for *inter alia* construction of buildings, installation and commissioning of plant and machinery, and supply and testing of equipment. We cannot assure you that the performance of external agencies will meet the required specifications or performance parameters. We may not be able to identify suitable replacement external agencies in a timely manner. If the performance of these agencies is inadequate in terms of the requirements, this may result in incremental cost and time overruns.

In addition, as of the date of this Draft Red Herring Prospectus, while the land on which the proposed Project is to be established was provisionally allotted to PEGEPL pursuant to a letter dated March 16, 2024 (**“Provisional Allotment Letter”**) issued by Telangana State Industrial Infrastructure Corporation Limited, a Government of Telangana Undertaking (**“TSIIC Limited”**), a final allotment letter dated April 18, 2024 (**“Final Allotment Letter”**) has now been issued by TSIIC Limited confirming such allotment of the land to PEGEPL for the proposed Project. However, the sale agreement is yet to be entered into by PEGEPL in relation to the acquisition of such Project Land, and such sale agreement shall be required to be executed within a period of 21 days of the receipt of the Final Allotment Letter. Accordingly, while PEGEPL has made the payment of ₹600.78 million, inclusive of applicable taxes, for the acquisition of land, such land is not registered in the name of PEGEPL yet.

Further, the physical possession of the Project Land would be delivered only upon the execution of the sale agreement. Furthermore, the Provisional Allotment Letter was subject to certain conditions including that the construction of factory building commence within six months of PEGEPL being put in possession of such land, and that PEGEPL commence commercial production within two years of being in possession of the allotted land, among others.

We may not be able to conclude such agreements or commitments on terms anticipated by us, or at all. As a result, subject to compliance with requirements under the Companies Act and the SEBI ICDR Regulations, our planned use of the proceeds of the Offer may change in ways with which you may not agree. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, etc.

Further, the total estimated cost and related fund requirements have not been appraised by any bank or financial institution. However, IREDA has sanctioned a loan of ₹22,250.00 million pursuant to a sanction letter dated February 29, 2024 to enable PEGEPL to part-finance the Project. Also see “*Objects of the Offer – Proposed schedule of implementation and utilisation of Net Proceeds*” on page 119.

Our funding requirements may be subject to change based on various factors such as the timing of completion of the Offer, market conditions outside the control of our Company, and any other business and commercial considerations. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by our Company and by the Shareholders by way of a special resolution, subject to compliance with applicable law. Our funding requirements are based on current management estimates, current circumstances of our business plan and the prevailing market conditions, which may be subject to change, and the project cost vetting report obtained from RCT. The deployment of the Net Proceeds will be at the discretion of our Board. 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. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. Accordingly, prospective investors in the Offer will need to rely upon our management’s judgment with respect to the use of the Net 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.

**11. There are outstanding litigation proceedings involving our Company, Subsidiaries and Directors. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.**

There are outstanding legal proceedings involving our Company, Subsidiaries, and Directors, which are pending at various levels of adjudication before various courts, tribunals and other authorities.

The summary of outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and material civil litigation (as defined in the section “*Outstanding Litigation and Other Material Developments*” on page 401) involving our Company, Subsidiaries and Directors.

Category of individuals/entities	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved* (in ₹ million)
<b>Company</b>						
By our Company	Nil	Nil	N.A.	N.A.	Nil	Nil
Against our Company	Nil	7	Nil	N.A.	Nil	65.17
<b>Directors</b>						
By our Directors	Nil	Nil	N.A.	N.A.	Nil	Nil
Against our Directors	1	Nil	Nil	N.A.	Nil	50.00
<b>Promoters</b>						
By the Promoters	Nil	Nil	N.A.	N.A.	Nil	Nil

Category of individuals/entities	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved* (in ₹ million)
Against our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
<b>Subsidiaries</b>						
By our Subsidiaries	Nil	Nil	N.A.	N.A.	Nil	Nil
Against our Subsidiaries	Nil	2	Nil	N.A.	Nil	2.09

\* To the extent quantifiable.

There is no pending litigation involving our Group Companies which will have a material impact on our Company.

For further information, see “*Outstanding Litigation and Other Material Developments*” on page 401.

There can be no assurance that these legal proceedings will be decided in our favor or in favor of our Subsidiaries and Directors. Further, as at December 31, 2023, we have not considered any provisioning as necessary to be made by us for any possible liabilities arising out of these litigations and have accordingly not made any such provisioning. In addition, we cannot assure you that no additional liability will arise out of these proceedings. The decisions in such proceedings adverse to our interests may have an adverse effect on our reputation, business, financial condition, results of operations and cash flows.

**12. We may be unable to benefit from government policies like the Modified Special Incentive Package Scheme, Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors and various other policies.**

We benefit from a favorable regulatory landscape and support provided to domestic manufacturing by state and central governments through schemes such as the Modified Special Incentive Package Scheme (“M-SIPS”) and Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (“SPECS”) offered by the Ministry of Electronics and Information Technology, Government of India. There can, however, be no assurance that we will continue to achieve the conditions prescribed under such schemes and consequently may not be entitled to receive the benefits provided thereunder.

In addition, PEGEPL has not considered customs duty for import of equipment for the Project that it proposes to establish by utilizing a portion of the proceeds of the Fresh Issue as it proposes to avail benefits under the MOOWR / EPCG scheme of the Government of India. Accordingly, cost of components proposed to be imported for the Project do not include any expenditure towards customs and other import duties. However, we cannot assure you that PEGEPL will continue to avail these benefits or that these schemes shall not be scrapped, in which case it may be required to pay such duties as a result of which our profitability may be adversely impacted. Also see “*Objects of the Offer*” on page 119.

**13. We have significant working capital requirements and our inability to meet such working capital requirements may have an adverse effect on our results of operations.**

Our business requires a significant amount of working capital as there is a considerable time lag between the purchase of raw materials and components and realization from the sale of our finished products, and between commencement of a project and delivery of a project-related service. We are therefore required to maintain a sufficient stock of raw materials at all times in order to meet manufacturing requirements, and have sufficient capital for our operations until we are able to recover project costs upon delivery of project-related goods and services, which in turn affects our working capital requirements. Consequently, there could be situations where the total funds available to us may not be sufficient to fulfil our commitments, and hence we may be required to incur additional indebtedness or utilize internal accruals to satisfy our working capital requirements. We also grant credit terms to certain customers in accordance with the terms of our agreements with them. Our working capital requirements may increase if the credit period against sales is increased or the time taken to meet a project milestone is delayed. Our working capital requirements may also increase if we are required to pay higher prices for raw materials or excessive advances for the procurement of raw materials. Some of these factors may result in

an increase in our short-term borrowings. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors. While there have been no instances of modifications in payment terms by our customers in the last three Fiscals and nine months ended December 31, 2023, we are also required to provide performance guarantees and advance payment guarantees to our customers which requires us to block our funds that can be used for working capital. See “**Risk Factors – We are required to provide bank guarantees and performance guarantees under certain contracts and letters of credit for our suppliers’ payments**” on page 56.

We typically rely on internal accruals as well as credit facilities with banks to provide for our working capital arrangements. The table below sets forth details of certain parameters as of the dates indicated:

Particulars	As of March 31,			As of
	2021	2022	2023	December 31, 2023
Inventories (₹ million)	626.41	2,169.27	6,328.55	7,995.60
Trade receivables (₹ million)	1,620.00	1,451.82	594.61	2,517.81
Trade payables (₹ million)	1,622.86	2,699.42	3,979.15	5,015.65
Inventory days <sup>(1)</sup>	60.50	86.91	132.11	130.57*
Debtor days <sup>(2)</sup>	92.07	75.46	26.14	21.22*
Creditor payable days <sup>(3)</sup>	88.38	92.84	70.37	66.40*

\* Not annualized

**Notes:**

- (1) Inventory days is calculated as 365 days divided by inventory turnover ratio. Inventory turnover ratio is calculated as cost of goods sold divided by average inventory, where cost of goods sold is computed by combining the values of cost of material consumed, purchase of stock-in-trade and changes in inventories of finished goods and work-in-progress as disclosed in the Restated Consolidated Financial Information and average inventory is the average of opening and closing inventory as disclosed in the Restated Consolidated Financial Information.
- (2) Debtor days is calculated as 365 days divided by debtor turnover ratio. Debtor turnover ratio is calculated as revenue from operations divided by average debtor, where average debtor is the average of opening and closing debtors as disclosed in the Restated Consolidated Financial Information.
- (3) Creditor payable days is calculated as 365 days divided by creditor turnover ratio. Creditor turnover ratio is calculated as total purchases divided by average creditor, where average creditor is the average of opening and closing creditors as disclosed in the Restated Consolidated Financial Information.

We have experienced an increase in our inventory days and creditor payable days in the last three Fiscals and nine months ended December 31, 2023, on account of us signing up large independent power producer customer orders for solar modules where delivery timeline commitments are more stringent. In order to address volatility in prices with the intention of protecting our margins, we have sourced and stocked certain key raw material components which can significantly impact our overall margins against these large orders. 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. There can be no assurance that we will generate sufficient cash flows or be able to borrow funds in 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.

**14. 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. Set forth below are details of our total income, EBITDA and EBITDA Margin in the corresponding periods:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine
				months ended December 31, 2023
	(₹ million, except percentages)			
Total income	7,362.35	7,670.33	14,632.12	20,327.62
EBITDA <sup>(1)</sup>	884.66	537.38	1,128.81	3,088.57
EBITDA Margin <sup>(2)</sup>	12.02%	7.01%	7.71%	15.19%

**Notes:**

- (1) EBITDA is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.
- (2) EBITDA Margin is calculated as EBITDA divided by total income. Total income is calculated as revenue from operations and other income.

Factors contributing to our recent rapid growth include (i) the establishment of a fully integrated 500 MW capacity solar cell line and 750 MW capacity solar module line in Unit II in 2021, (ii) increases in the installed capacities of our solar cell and module lines in Unit II by 250 MW and 150 MW, respectively, in 2022 and a further increase in the installed capacity of our solar module line in Unit II by 50 MW in 2023, (iii) the addition of a 1,250 MW capacity solar cell line in Unit III in 2023 and (iv) the establishment of a 1,600 MW capacity solar module line in Unit IV in 2023. For more details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations Based on our Restated Consolidated Financial Information*” on page 374.

Notwithstanding the above, we may not be able to sustain historical growth rates for various reasons beyond our control. Achieving success in executing our growth strategy is contingent upon, among other factors: our ability to source for materials at cost-effective prices; accurately prioritizing geographic markets for entry; employing and retaining skilled employees; bidding for and winning projects on acceptable terms; obtaining cost-effective financing needed for our expansion plans, which includes our plans for backward integration into ingot-wafer manufacturing; negotiating favorable payment terms with customers and entering into contractual arrangements that are commercially acceptable to us; continued availability of economic incentives; and ability to adapt to new cell and module technologies that offer lower levelized cost of energy than our current technologies.

As we expand our manufacturing operations into new overseas markets, we also expect to encounter regulatory and capital financing challenges. 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.

**15. 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, environmental and labor laws and other legislations enacted by the GoI and the relevant state governments in India. Under the Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirement for Compulsory Registration) Order, 2019, we are required to mandatorily source PV cells only from the models and manufacturers included in the Approved List of Models and Manufacturers (“ALMM”) which is a list of eligible models and manufacturers complying with BIS standards, which are eligible for use in government / government assisted projects under government schemes and programs installed in the country, including 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. We are additionally required to source solar PV cells from domestic sources under the terms of MNRE schemes such as Central Public Sector Undertaking (“CPSU”) Scheme Phase-II, *Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan* scheme 2019 (“PM-KUSUM Scheme”), and Grid-Connected Solar Rooftop Programme Phase-II. We are also subject to imposition of basic customs duty under the Customs Act, 1962 of 25% on solar cells and 40% on modules with effect from April 1, 2022. For further details, see “*Key Regulations and Policies in India*” on page 236.

Further, our business is dependent in part on GoI and state government policies such as the National Electricity Policy, 2005, Integrated Energy Policy, 2006 and National Tariff Policy, 2016, that support renewable energy, particularly solar energy, and enhance the economic feasibility of developing solar energy projects. The GoI and several 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.

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 power purchase agreements; preferential charges on transmission, wheeling and banking facilities; M-SIPS and SPECS; tax incentives; and availability of accelerated depreciation for solar power assets.

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 in India, and in particular requiring solar cells and modules to



be manufactured in India, this may have a material and adverse effect on business prospects for our solar cells and modules, and consequently our financial performance.

**16. We incurred losses in Fiscals 2022 and 2023 and any similar losses in the future may adversely affect our business, financial condition and cash flows.**

As per our Restated Consolidated Financial Information, we incurred restated losses in Fiscal 2022 and Fiscal 2023 as follows.

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Nine months ended
				December 31, 2023
	<i>(₹ million)</i>			
Restated profit / (loss) for the period / year	258.07	(144.08)	(133.36)	1,274.02

We recorded losses in Fiscal 2022 primarily due to a delay in the stabilization and process set up of our cell line at our Unit II manufacturing facility on account of unavailability of specialized engineers from China who were required for certain installation and process stabilization activities at the facility, as they could not undertake timely travel to our facility in India as a result of travel restrictions between the two countries. We also offered products at discounted rates pending stabilization of the cell line at Unit II, which further impacted our profitability during the period. We recorded losses in Fiscal 2023 partly due to an increase in cost of material consumed due to volatility in raw material prices that was driven by supply chain disruptions owing to severe COVID-related restrictions imposed in China. We also upgraded our cell manufacturing line in Unit II in Fiscal 2023, leading to temporary suspension for reconfiguring tools that resulted in reduced production volumes, which led to reduced sales and further impacted our profitability. For further information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations Based on our Restated Consolidated Financial Information*” on page 374. Any similar losses in the future may adversely affect our business, financial condition and cash flows.

While we believe these losses resulted on account of the factors mentioned above, there can be no assurance that we will not face similar factors in the future and if we continue to incur losses, the market price of our Equity Shares may decline. Moreover, certain of our Subsidiaries have also incurred losses in the past. For further information, see “*Risk Factors – Certain of our Subsidiaries have incurred losses in the last three Fiscals and the nine months ended December 31, 2023, and any similar losses in the future may adversely affect our business, financial condition and cash flows*” on page 44.

In addition, our costs may increase over time, which may also result in us incurring losses in the future. We have expended and expect to continue expending financial and other resources on technological investments, infrastructure and our staff, among other initiatives and as such, there can be no assurance that we will not incur higher costs in the future. If we are unable to successfully address the factors highlighted above or if we are unable to produce adequate revenue growth and manage our expenses and cash flows, we may continue to incur significant losses in the future, which could adversely affect our ability to, among others, pay our debts in a timely manner, finance proposed business expansions or investments or fund our operations. Any of the foregoing could adversely affect our business, cash flows, financial condition and results of operations.

**17. Certain of our Subsidiaries have incurred losses in the last three Fiscals and the nine months ended December 31, 2023, and any similar losses in the future may adversely affect our business, financial condition and cash flows.**

Certain of our Subsidiaries have incurred losses in the last three Fiscals and the nine months ended December 31, 2023. The details of profit / (loss) before tax of such Subsidiaries are set forth in the table below:

Subsidiary	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine months ended
				December 31, 2023
	<i>(in ₹ million)</i>			
Premier Energies Photovoltaic Private Limited	(43.52)	(417.34)	(292.69)	2,090.58

Subsidiary	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine months ended December 31, 2023
Premier Energies International Private Limited <sup>(1)</sup>	— <sup>(1)</sup>	(1.84)	(21.76)	(284.29)
Premier Photovoltaic Gajwel Private Limited	(1.23)	(6.57)	7.41	1.79
Premier Photovoltaic Zaheerabad Private Limited	(0.05)	(1.04)	(0.36)	(0.47)
Premier Energies Global Environment Private Limited	— <sup>(2)</sup>	(5.23)	(1.50)	(4.67)
Premier Solar Powertech Private Limited	64.40	4.47	64.45	(20.90)
IBD Solar Powertech Private Limited <sup>(3)</sup>	—	(0.34)	(0.61)	(0.04)

**Note:**

(1) PEIPL was not a subsidiary in Fiscal 2021.

(2) PEGEPL was incorporated on April 5, 2021 i.e. not in Fiscal 2021.

(3) IBD Bangladesh has filed for voluntary winding up with the Office of Registrar of Joint Stock Companies and Firms under the Companies Act, 1994, Bangladesh.

(4) During the fiscal year ended March 31, 2023, our Company incorporated a wholly-owned subsidiary, Premier Energies Photovoltaic LLC, in the United States of America. As of December 31, 2023, the subsidiary has yet to commence operations.

We cannot assure you that our Subsidiaries will not incur losses in the future, or that such losses will not adversely affect our reputation or our business.

**18. We have had negative cash flows in prior periods and may continue to have negative cash flows in the future.**

We experienced the cash flows, both positive and negative, set forth in the table below for the year / period indicated.

Particulars	As of March 31,			As of December 31, 2023
	2021	2022	2023	
	(₹ million)			
<b>Net cash flow</b>				
Net cash flow from / (used in) operating activities (A)	2,368.78	49.64	366.85	(394.58)
Net cash flow used in investing activities (B)	(3,527.94)	(2,179.31)	(3,038.75)	(4,053.16)
Net cash flow from financing activities (C)	1,091.39	2,786.12	2,516.61	5,965.81
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(67.77)</b>	<b>656.45</b>	<b>(155.29)</b>	<b>1,518.07</b>
Cash and cash equivalents at the beginning of the period / year	212.31	144.54	800.99	645.70
<b>Cash and cash equivalents at the end of the period / year.</b>	<b>144.54</b>	<b>800.99</b>	<b>645.70</b>	<b>2,163.77</b>

Such negative cash flows from operating activities for the nine months ended December 31, 2023 were mainly attributable to an increase in inventories and trade receivables and a decrease in financial liabilities and other current liabilities. Negative cash flows from investing activities for the three Fiscals and the nine months ended December 31, 2023 were mainly attributable towards purchases of property, plant and equipment, including intangible assets, capital work-in-progress and capital advances and investment in mutual funds.

Negative operating cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources*” on page 385.

**19. We intend to utilize a portion of the Net Proceeds for funding our capital expenditure requirements in relation to the expansion of our manufacturing capacities in the form of a 4 GW TOPCon cell line and 4 GW solar module line which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties.**

We intend to utilize a portion of the Net Proceeds towards investment in our Subsidiary PEGEPL for part-financing the Project. The total estimated cost of setting up the Project is ₹34,642.75 million of which we propose to deploy a sum of ₹11,687.38 million from the Net Proceeds. See “*Objects of the Offer*” on page 119. We cannot

assure you that we will be able to complete the construction of the Project within the expected estimated cost and on time which may result into cost escalations and time overruns.

The Project will require us to acquire plant and machinery and undertake certain construction works. While we have procured quotations from various vendors, we have not placed firm orders for undertaking such construction work and supply of plant and machinery in relation to the Project. The quotations we have received 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 the Project within the cost indicated by such quotations or that there will not be cost escalations. We have also estimated the requirement of the construction work, plant and machinery and other ancillary expenses for the Project based on a project cost vetting report by RCT Solutions GmbH. See ***“Objects of the Offer”*** and ***“Risk Factors – We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer. Our funding requirements and deployment of the Net Proceeds of the Offer are based on management estimates and a project cost vetting report from RCT Solutions GmbH and have not been independently appraised. Our management will have broad discretion over the use of the Net Proceeds”*** on pages 119 and 39, respectively. In the event of any delay in placing the orders, or an escalation in undertaking such construction work and procuring the plant and machinery or in the event the vendors are not able to provide the equipment in a timely manner, there could be time and cost overruns which may consequently have a material adverse effect on our business, results of operations and financial condition. Further, if we are unable to procure the requisite materials from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors in a timely manner to provide us with the materials which satisfy our requirements at acceptable prices. Our inability to undertake construction work and procure plant and machinery at acceptable prices or in a timely manner, may result in an increase in the Project cost, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations. Further, the completion of the proposed Project is also dependent on the performance of external agencies which are responsible for, *inter alia*, undertaking construction work, installation and commissioning of machinery and supply and testing of equipment. If the performance of these agencies is inadequate, it may result in incremental cost and time overruns which could adversely affect our business and results of operations. For instance, we have in the past experienced a delay in commencement of operations at our solar cell line in Unit II on account of unavailability of specialized engineers from China who were required for certain installation and stabilization functions at the facility, and who could not undertake timely travel to our facility in India as a result of travel restrictions between the two countries. Any similar delays in the future caused by events beyond our control may affect our ability to complete the proposed Project in accordance with the proposed schedule of implementation, which could have an adverse impact on our growth, prospects, cash flows and financial condition.

The proposed Project will also require us to obtain various approvals. For further details, see ***“Objects of the Offer – Details of the Objects of the Fresh Issue – Investment in our Subsidiary, PEGEPL for part-financing the establishment of a 4 GW Solar PV TOPCon Cell and 4 GW Solar PV TOPCon Module manufacturing facility in Hyderabad, Telangana, India – Government Approvals”*** on page 129. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or varied accordingly. 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. Our inability to procure such approvals or machinery and equipment at acceptable prices or in a timely manner may result in an increase in capital expenditure and/or in the extension of the proposed schedule implementation and deployment of Net Proceeds.

***20. Information relating to the annual installed capacity, effective installed capacity, actual production and 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.***

The information relating to the annual installed capacity, effective installed capacity, actual production and utilization of our manufacturing facilities for the years / periods indicated are based on various assumptions and estimates that have been taken into account by us. These assumptions and estimates include standard capacity calculation practice in the solar cell and module industry, including with respect to the period during which our manufacturing facilities operate in such period and the average efficiency of solar cells and modules to be manufactured during such period. For further information, see ***“Our Business – Our Business Operations – Capacity and Capacity Utilization”*** on page 221.

Furthermore, 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 less process time whereas certain products require more process time in the same manufacturing set-out that we have installed. Accordingly, actual production levels and utilization rates may differ from the annual installed capacity and effective installed capacity of our manufacturing facilities. Undue reliance should therefore not be placed on our historical annual installed capacity, historical effective installed capacity, actual production and utilization information for our existing manufacturing facilities included in this Draft Red Herring Prospectus.

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

Our ability to maintain our profitability depends, among other factors, on our ability to optimize the product mix to support high-efficiency solar cells and 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 overproduction of certain products and underproduction 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.

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 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 utilize 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 “*Risk Factors – Implementing our growth strategy and our business operations will depend on our ability to maintain access to multiple funding sources on acceptable terms*” on page 51.

The following table sets forth certain information relating to our Company’s historical capacity utilization for solar cells and solar modules, calculated on the basis of effective installed capacity for the relevant fiscal period and actual production in such fiscals / periods as calculated below. See “*Our Business – Our Business Operations – Capacity and Capacity Utilization*” on page 221.

Unit	As of / For the Financial Year ended March 31, 2021	As of / For the Financial Year ended March 31, 2022	As of / For the Financial Year ended March 31, 2023	As of / For the nine months ended December 31, 2023
<b>Unit I</b>				
<b>Solar Module</b>				
Annual installed capacity <sup>(1)</sup> (MW)	470	470	470	260 <sup>(5)</sup>
Effective installed capacity <sup>(2)</sup> (MW)	400	400	400	173
Actual production <sup>(3)</sup> (MW)	185.91	140.86	93.42	39.13
Capacity utilization <sup>(4)</sup> (%)	46.48	35.22	23.36	22.68
<b>Unit II</b>				
<b>Solar Cell</b>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	500	750	750
Effective installed capacity <sup>(2)</sup> (MW)	commissioned	309	560	420
Actual production <sup>(3)</sup> (MW)		110.30	227.70	390.23
Capacity utilization <sup>(4)</sup> (%)		35.77	40.66	92.91

Unit	As of / For the Financial Year ended March 31, 2021	As of / For the Financial Year ended March 31, 2022	As of / For the Financial Year ended March 31, 2023	As of / For the nine months ended December 31, 2023
<b>Solar Module</b>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	750	900	1,400
Effective installed capacity <sup>(2)</sup> (MW)	commissioned	500	740	855
Actual production <sup>(3)</sup> (MW)		93.07	394.6	602
Capacity utilization <sup>(4)</sup> (%)		18.61	53.33	70.41
<b>Unit III</b>				
<b>Solar Cell</b>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	Not	Not	1,250
Effective installed capacity <sup>(2)</sup> (MW)	commissioned	commissioned	commissioned	157
Actual production <sup>(3)</sup> (MW)				99.37
Capacity utilization <sup>(4)</sup> (%)				63.43
<b>Unit IV</b>				
<b>Solar Module</b>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	Not	Not	1,600
Effective installed capacity <sup>(2)</sup> (MW)	commissioned	commissioned	commissioned	0
Actual production <sup>(3)</sup> (MW)				0
Capacity utilization <sup>(4)</sup> (%)				0
<b>Unit V</b>				
<b>Solar Module</b>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	Not	Not	Not
	commissioned	commissioned	commissioned	commissioned
<b>Total Capacity and Utilization</b>				
<b>Solar Cell</b>				
Annual installed capacity <sup>(1)</sup> (GW)	0	0.50	0.75	2.00
Effective installed capacity <sup>(2)</sup> (GW)	0	0.31	0.56	0.58
Actual production <sup>(3)</sup> (GW)	0	0.11	0.23	0.49
Capacity utilization <sup>(4)</sup> (%)	—	35.77	40.66	84.90
<b>Solar Module</b>				
Annual installed capacity <sup>(1)(6)</sup> (GW)	0.47	1.22	1.37	3.26
Effective installed capacity <sup>(2)</sup> (GW)	0.40	0.90	1.14	1.03
Actual production <sup>(3)</sup> (GW)	0.19	0.23	0.49	0.64
Capacity utilization <sup>(4)</sup> (%)	46.48	25.99	42.81	62.40

\*As certified by RBSA Advisors LLP, Chartered Engineers pursuant to their certificate dated April 19, 2024.

**Notes:**

- (1) The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which has the maximum power output and can be produced in the specific production line.
- (2) The effective installed capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line ("**Effective Installed Capacity**"). Please note that the installed capacity for Fiscal 2023 is adjusted on account of addition of capacity during the year. The following assumptions and observations can be considered while deriving the Effective Installed Capacity:
  - Unit I – PEL: Annual installed capacity is based on the maximum power output i.e. 385W solar PV module. Effective installed capacity is based on the current product manufactured by the company i.e. 335W solar PV module.
  - Unit II – PEPPL: Annual installed capacity is based on the maximum power output i.e. 670W solar PV module. Effective installed capacity is based on the current product manufactured by the company i.e. 550W solar PV module. Please note that the installed capacity for Fiscal 2023 is adjusted on account of addition of capacity during the year. The capacity utilization is calculated based on the proportion of the installed capacity that was being used.
  - Unit III – PEIPL: Annual installed capacity is based on the maximum power output i.e. maximum cell size i.e. 210mm x 210mm solar PV cell. Effective installed capacity is based on the current product manufactured by the company i.e. cell size 182mm x 182mm solar PV cell. The capacity utilization is calculated based on the proportion of the installed capacity that was being used.
  - Unit IV – PEIPL: Annual installed capacity is based on the maximum power output i.e. 670W solar PV module.
  - Unit V – PEGEPL: Annual installed capacity is based on the maximum power output i.e. 330W solar PV module.

- (3) *Actual production refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods or services generated.*
- (4) *Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It is a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year / period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year / period. In the case of capacity utilization for the nine months ended December 31, 2023, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized effective installed capacity.*
- (5) *Reduced the installed capacity of the solar module line in Unit I by 210 MW in 2023.*
- (6) *Our Company has currently a 100 MW capacity line which was commissioned on March 12, 2024, taking the total solar module production capacity to 3.36 GW.*

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.

***22. Counterparties to our agreements may not fulfil their obligations, which could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.***

We have entered into certain agreements with counterparties in relation to, among others, joint ventures and off-take arrangements. For example, we have entered into a joint venture arrangement which requires our joint venture counterparty to lock-in their shareholding in the joint venture entity until the completion of certain events. In the event further capital infusion is required to meet any capital call / infusion events like business loss, additional capital expenditure to meet requirements of the existing line, upgradation or improvements, and our joint venture counterparty is unable make such contributions, our Company may have to infuse additional and unexpected capital to meet the aforementioned exigencies which could impact our Company's financial condition. We have also entered into a four year module supply agreement with an Indian renewable power producer for the supply of up to 600 MW of solar modules per fiscal year with minimum off take of 300 MW per annum with effect from April 1, 2026. In the event the counterparty to this agreement is unable or unwilling to fulfil their contractual obligations thereunder by, for example, not taking the minimum quantum of solar modules per annum or providing the equivalent value thereof, our business, prospects, financial condition, results of operations and cash flows could be materially and adversely affected.

We generate electricity income pursuant to long-term offtake agreements entered into with state government entities. While we typically offer credit periods, there may be delays associated with collection of receivables from government-owned or government-controlled entities due to the financial condition of these entities. For instance, as of February 29, 2024, payments owed to us under our offtake agreements for 15.5 MW of solar energy were delayed by two months beyond the credit period and for 5 MW of solar energy were delayed by three months beyond the credit period. Such payment delays could result in deferred payments to the lenders financing these projects. Although central and state governments in India have taken steps to improve the liquidity, financial condition and viability of state electricity distribution utility companies in recent years, there can be no assurance that our off takers will have the resources to pay on time or at all. We also have offtake agreements in respect of solar module supply. In the event our counterparties are unable or unwilling to fulfil their contractual obligations under the relevant offtake agreements, refuse to accept delivery of power or goods delivered thereunder or terminate our agreements prior to their expiration, our business, prospects, financial condition, results of operations and cash flows could be materially and adversely affected. Furthermore, it may be difficult to bring actions against customers that are, or are controlled by, government entities. Also, some of our projects or our counterparties may be subject to legislative or other political actions that may impair their contractual performance.

***23. We have in the past entered into a number of related party transactions and may continue to enter into related party transactions that may involve conflicts of interest.***

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. These transactions include remuneration to Directors and Key Managerial Personnel and transactions with Subsidiaries in which certain Key Managerial Personnel have significant influence. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favorable terms had such transactions been entered into with unrelated parties. While we will conduct all related party transactions post-listing of the Equity Shares subject to the Board's or Shareholders' approval, as applicable, and in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions of the SEBI Listing Regulations and other applicable law, such related party transactions

may potentially involve conflicts of interest. Our Company will endeavor to duly address such conflicts of interest as and when they may arise, however, we cannot assure you that such transactions, individually or in the aggregate, may not involve potential conflict of interest which will not have an adverse effect on our business, results of operations, cash flows and financial condition. Furthermore, it is likely that we may enter into related party transactions in the future. While no such instance has occurred in the past, related party transactions may potentially involve conflicts of interest which may be detrimental to and have an adverse impact on our Company. In respect of loans or advances that our Company and Subsidiaries provide to related parties, there can be no assurance that we will be able to recover all or any part of such loans or advances which, if unrecoverable, may have an adverse effect on our business, results of operations, cash flows and financial condition.

For further details on our related party transactions, see “*Summary of the Offer Document – Summary of Related Party Transactions*” and “*Restated Consolidated Financial Information – Notes forming part of the Restated Consolidated Financial Information – Note 43 - Related Party Disclosures*” on pages 26 and 335, respectively.

***24. An inability to produce quality products that addresses the needs of our customers or adopt new solar technologies and in an effective and timely manner may adversely affect our business, results of operations and cash flows.***

Our business depends on our ability to adopt new solar technologies, develop products that addresses the needs of our customers 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. The technologies developed or adopted by our competitors 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. 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. Under certain of our arrangements with our customers, in the event we are unable to replace any rejected product within the stipulated time or deliver the product within the stipulated time, the product shall be payable at a discounted rate of the replacement product or we may have to pay liquidated damages to the customer. The development of new solar products may require substantial investment, and we can provide no assurance that such investment will be successful. We make incremental investments to adapt evolving technologies to both existing equipment as well as planned capacity expansion. 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 solar modules, solar cells or ingot-wafers 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.

***25. 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 manufacturing decisions made in advance based on our estimate of the demand for our products from customers taking into account historical trends. 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 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 or inventory of raw materials 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. For

instance, to meet the sudden increase in demand for our products once the COVID-19 related restrictions ceased, we had to source greater quantities of raw material in a short period of time. Given this was experienced across the industry, there was a significant increase in raw material costs and shipping / transportation expenses. While most of our customer contracts account for increases in raw material costs on a pass-through basis, prolonged supply disruptions could exert pressure on our costs, and there can be no assurance that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could adversely impact our business, prospects and financial performance. For completeness, some of our customer contracts in relation to smaller orders do not account for increases in raw material costs and in these instances, we typically absorb such increases.

The table below sets forth details of our inventory turnover ratio as of the dates indicated:

Particulars	As of March 31,			As of
	2021	2022	2023	December 31, 2023
Inventory turnover ratio <sup>(1)</sup>	6.03	4.20	2.76	2.11

**Note:**

(1) Inventory turnover ratio is calculated as cost of goods sold divided by average inventory; where cost of goods sold is computed by combining the values of cost of material consumed, purchase of stock-in-trade and changes in inventories of finished goods and work-in-progress, as disclosed in the Restated Consolidated Financial Information, and average inventory is the average of opening and closing inventory as disclosed in the Restated Consolidated Financial Information.

**26. Implementing our growth strategy and our business operations will depend on our ability to maintain access to multiple funding sources on acceptable terms.**

The expansion plans in connection with the Project will be funded partly by the proceeds of the Fresh Issue, internal accruals and partly through financing arrangements. As of April 18, 2024 our Company has deployed ₹660.37 million towards establishing the Project, including towards the acquisition of land and certain term loan charges. For further details, see “*Objects of the Offer – Proposed schedule of implementation and utilization of Net Proceeds*” on page 119.

While we have historically funded our capital requirements 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 able to 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 favorable terms and may result in an increase in our cost of capital.

**27. Any defects or deficiencies 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 remain undetected until after they have been shipped to and/or inspected by our customers. Our solar modules are sold, depending on model, with a 10 to 12 year warranty for product manufacturing defects and a 25 to 30 year warranty relating to output performance. If a manufacturing defect is discovered during the warranty period, we are obligated under the warranty to either repair or replace the solar module or extend a refund for the defective solar module without any charge. We may incur significant repair and replacement costs associated with any such warranty claims. As we continue to expand our operations and increase our sales in new and existing markets, our exposure to warranty claims will increase.

The table below sets forth our warranty provisions created (reversed) during the period / year end and provisions for warranty as of period / year end as a percentage of our revenue from operations for the year / period indicated:

Particulars	As at March 31 / Fiscal 2021		As at March 31 / Fiscal 2022		As at March 31 / Fiscal 2023		As at December 31 / For the nine months ended December 31, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations



	As at March 31 / Fiscal 2021		As at March 31 / Fiscal 2022		As at March 31 / Fiscal 2023		As at December 31 / For the nine months ended December 31, 2023	
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Warranty provision (reversal) for the period/ year	54.60	0.78	(37.31)	(0.50)	(24.98)	(0.17)	85.00	0.42
Provisions as of period/ year	339.12	4.83	294.89	3.97	269.92	1.89	354.92	1.76

In addition, 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. Even if these claims are ultimately dismissed, we will be required to produce evidence to defend or deny such allegations, and may be compelled to become party to litigation, which may strain our resources and divert the attention of our management. Any successful assertion of a product liability claim against us could result in significant monetary damages and require us to make significant payments.

Furthermore, we obtain product liability insurance coverage only for customers that are willing to bear the premium for such policy. In the event of claims against uninsured products or if the coverage for insured products

is limited or inadequate to fully cover any product liability claim or damages awarded in relation thereto, we may not have adequate resources to satisfy a judgment in the event of a successful claim against us. See **“Risk Factors – We may be subject to significant risks and hazards when constructing, operating and maintaining our manufacturing facilities, for which our insurance coverage might not be adequate.”** on page 62. In addition, real or perceived product defects could cause significant damage to our market reputation resulting in decrease in sales and market share. If there are too many instances of our products being defective, or if there is a perception that our products are of substandard quality, we may incur substantial 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.

**28. We bid for engineering, procurement and construction (EPC) 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, cash flows and results of operations.**

We bid for EPC projects through a competitive bidding process, where projects are awarded following a certain process and satisfaction of prescribed qualification criteria such as past experience in handling similar projects. We have also entered into O&M contracts in relation to such EPC projects. While the quality of products and offerings, manufacturing capacity and performance, as well as reputation, experience and sufficiency of financial resources are important considerations in such competitive bids, 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 submit a bid in tenders where we have been pre-qualified 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 also be subject to litigation by the unsuccessful bidders, which may result in a delay in awarding 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 which, as a result, 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. While there have been no such instances in the last three Fiscals and nine months ended December 31, 2023, any unsuccessful outcome in such proceedings may lead to the termination of a contract awarded to us in the future, which could have a material adverse effect on our business, revenue from operations and cash flows going forward.

The table below sets out information on bids for government tenders for the supply of solar modules and tenders for our EPC solutions for the year/period indicated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine months ended December 31, 2023
Government tenders for solar modules				
No. of bids submitted	0	1	0	2
No. of bids won	0	0	0	2
Total value of the bids won (₹ million)	0	0	—	23,036.58
Tenders for EPC solutions				
No. of bids submitted	1	2	4	2
No. of bids won	1	1	4	0
Total value of the bids won (₹ million)	760.81	118.00	15,302.35	0

**29. Our manufacturing facilities are located in the state of Telangana, India, which exposes our operations to potential risks arising from local and regional factors which may adversely affect our operations and in turn our business, results of operations and cash flows.**

As of the date of this Draft Red Herring Prospectus, we operate through five manufacturing facilities, all of which are situated on land that we own, in Hyderabad, Telangana, India. The manufacturing facility that we intend to establish further to the Project will be located at UDL-5 Part at Industrial Park, Seetharampur, Ranga Reddy District, Telangana, India. Given the geographic concentration of our manufacturing operations in one state, our operations are susceptible to disruptions which may be caused by certain local and regional factors, including but not limited to economic and weather conditions, natural disasters, demographic factors, and other unforeseen events and circumstances. Apart from COVID-19 related operational restrictions that were imposed on our facilities, we have not experienced any material disruption at any of our existing manufacturing facilities in the last three Fiscals and the nine months ended December 31, 2023. If any such disruptions occur, our operations may be affected leading to significant delays in the manufacturing and shipment of our products which could materially and adversely affect our business, financial condition and results of operations.

**30. We are dependent on third-party transportation providers for the transport of raw materials for our manufacturing process and delivery of our finished products.**

Our success depends on the transport of various raw materials and components to our manufacturing facilities from our suppliers and of our finished products from our manufacturing facilities to our customers, which are subject to various uncertainties and risks. We use third-party freight and transportation providers for the delivery of raw materials to our manufacturing facilities and our finished products to customers. As a result, we cannot completely control the operations of these third parties, and transportation strikes and widespread travel restrictions such as those imposed on account of the COVID-19 pandemic, could have an adverse effect on the supply and delivery of our products to our customers and raw materials from our suppliers to us. While we have not faced any significant disruptions in the transportation services that we rely on or sudden increase in transportation costs in the past three Fiscals and the nine months ended December 31, 2023, we cannot assure you that such incidents will not occur in the future. In addition, such raw materials, components and finished products may be lost or damaged in transit for various reasons including the occurrence of accidents or natural disasters or failure by third parties to exercise care in handling our products.

In the event we fail to maintain a sufficient stock of raw materials and the delivery of such materials to us is delayed, we may be unable to meet our 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 may not repair the damage inflicted on our relationships with our affected customers. Although we have not encountered any instances of material delays except on account of COVID-19 related travel restrictions in Fiscals 2021 and 2022 and part of Fiscal 2023, 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. We could be required to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges in order 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.

**31. *Compliance with, and changes in, laws and regulations or stringent enforcement of existing laws and regulations in the jurisdictions in which we operate may adversely affect our business, results of operations and cash flows.***

Our operations are subject to various regulatory and/or statutory requirements in the jurisdictions in which we operate and require us to obtain certain approvals, registrations, permissions and licenses from regulatory authorities in order to carry out our business, which may be subject to various conditions pertaining to, among others, the use, handling, generation, processing, storage, transportation, and disposal of certain materials during the manufacturing of our products. We have to obtain certain environmental permits in order to conduct our business. These environmental laws and regulations are subject to changes from time to time especially in connection with developments in climate change discussions and 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. Further, our material approvals include our PESO license for storage of gases, factories license, registration from the Bureau of Indian Standards, industrial entrepreneurs memorandum issued by DPIIT, license for private bonded warehouse and consents to operate from the relevant pollution control board. We have also applied for shops and establishments licenses in relation to certain of our branch offices, which are yet to be received. For further information on the nature of approvals and licenses required for our business, see “**Government and Other Approvals**” on page 404. If we fail to obtain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity or could be subject to fines and penalties, all which could adversely affect our business, results of operations, cash flows and financial condition.

Additionally, expansion of our manufacturing facilities and backward integration measures may require obtaining additional licenses, permits and approvals from statutory bodies. As we introduce backward integration measures such as the manufacturing of ingot-wafers, even more stringent environmental, labor, health and safety and other regulations will be applicable to us at local, state, national, and international levels such as regulations pertaining to access to and the sustainable use of water. 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.

The quality of the products being manufactured by us is also open to independent verification by various regulatory authorities in the markets we sell our products. These regulatory authorities may carry out inspections of our manufacturing facilities, stores, equipment, machinery, manufacturing or other processes and sample checks on any material or component in relation to our products 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 any such issues in the past, there can be no assurance that we will not be so penalized in the future. Failure to adhere to the quality norms prescribed by such regulatory authorities could lead to a 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.

**32. *In the past, we failed to comply with certain provisions of the Foreign Exchange Management Act, 1999 and also with the Companies (Prospectus and Allotment of Securities) Rule, 2014, and had to compound such non-compliances. We cannot assure you that there will be no such non-compliances in the future and that our Company, Subsidiaries, our Directors or the directors of our Subsidiaries will not be subject to any penalty or any additional payments.***

Our Company issued and allotted equity shares on December 12, 2014, February 2, 2015, July 20, 2015 and January 7, 2016 in violation of regulation 9(1)(A), regulation 9(1)(B) of the Foreign Exchange Management Act, 1999. Accordingly, a *suo moto* compounding application dated July 27, 2023, for compounding of the aforesaid offence, was filed by our Company for the delay in filing the form FC-GPR beyond the prescribed period of 30 days from the date of issuance of shares. Further, the equity shares and convertible securities issued and allotted by our Company upon its conversion from a private limited company to a public limited company on September 25, 2019 was in violation of Rule 9A(2) of the Companies (Prospectus and Allotment of Securities) Rule, 2014, as amended, as certain equity shares held by our Promoters at the time were not in dematerialized form. In addition, our Company had recorded a transfer of 4,242,880 equity shares held in physical form, violating Rule 9A(3) of the Companies (Prospectus and Allotment of Securities) Rule, 2014, as amended. Accordingly, a *suo moto*

compounding application dated March 26, 2024 was filed by our Company, our Promoters Surender Pal Singh Saluja and Chiranjeev Singh Saluja and certain other persons, for compounding of the aforesaid offences. See “*Capital Structure*” on page 95.

While these offences have been compounded by the relevant adjudicating officers by way of an order dated April 1, 2024, we cannot assure you that there will be no such non-compliances in the future and that our Company, Subsidiaries, our Directors or the directors of our Subsidiaries will not be subject to any penalty or any additional payments.

**33. *Our Subsidiary, PSPPL, has availed certain unsecured borrowings which may be recalled by the lender at any time.***

One of our Associates, Brightstone Developers Private Limited has extended a loan facility in the nature of an unsecured borrowing that is repayable on demand, to our Subsidiary PSPPL. As on February 29, 2024, the outstanding amount of this borrowing stood at ₹21.08 million.

While this facility was extended in the ordinary course of business, in the event that the lender seeks repayment of such unsecured borrowing, we may need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Any such recall with respect to this facility or any unsecured borrowing that we may avail in the future, may adversely affect our business, cash flows and financial condition. While we have not faced any such instances where unsecured borrowings were recalled/ redeemed by lenders in the last three Fiscals and nine months ended December 31, 2023, there can be no assurance that this will not occur in the future. Also see “*Financial Indebtedness*” on page 398.

**34. *Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business, financial conditions, cash flows and results of operations.***

As of February 29, 2024, we have received a long-term credit rating of BBB+ and a short-term credit rating of A2 (reaffirmed) from CRISIL with respect to our borrowing facilities availed from lenders. An inability to secure future financing on attractive terms or at all may adversely impact these strategic initiatives and our business prospects. Credit ratings reflect the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins, medium-term revenue visibility and operating cycle.

While we have not experienced downgrading in our credit ratings received recently, including in the last three Fiscals and nine months ended December 31, 2023, any downgrade in our credit ratings or our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, could increase borrowing costs, will give the right to our lenders to review the facilities availed by us under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

**35. *The loss of accreditation for our manufacturing facilities and operations could damage our reputation, business, results of operations and cash flows.***

Our quality certifications and accreditations are critical for sales to our customers. We have obtained various quality and process certifications including ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. Our manufacturing facilities and operating processes 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. If we are unable to comply with the accreditation criteria or if such agencies determine that we are not in compliance with the prescribed standards and norms, our existing accreditation may be revoked or not renewed or we may not be granted new accreditations. 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.

**36. *Our engineering, procurement and construction (EPC) contracts may include provisions permitting our customers to terminate the agreement at their convenience.***

Our EPC contracts may include provisions permitting our customers to alter the terms and conditions of the contract through amendments, addendum and clarifications. In such circumstances, we are generally able to

recover revenue accrued until that time, but we do not recover the full payment that would otherwise have been due to us under the contract upon completion. While none of our customers have cancelled any EPC contracts in the past three Fiscals and nine months ended December 31, 2023, and from January 1, 2024 until the date of this Draft Red Herring Prospectus, there may be such instances in the future and we may be unable to secure new contracts on substantially similar terms, or if our customers use such termination rights as leverage to re-negotiate the terms and conditions of the relevant EPC contract, including pricing terms, changes to the scope of work or delivery schedule, this may materially and adversely affect our business, financial condition and results of operations.

**37. *We are required to provide bank guarantees and performance guarantees under certain contracts and letters of credit for our suppliers' payments.***

We are required to provide financial and performance bank guarantees to secure our financial and performance obligations under certain contracts, especially for our EPC projects. These guarantees are typically required to be provided within a few days of the signing of the contract and remain valid as per the contract. In some of the contracts, bank guarantees had to be provided in respect of the module performance warranties for their warranty periods. Any failure to maintain these performance guarantees may subject us to penalties under our contracts, such as requiring us to perform remediation work to meet the guarantees, pay liquidated damages or allowing the counterparty to terminate the contract.

The table below sets forth the amount of outstanding bank guarantees furnished by us under our contracts as of the date indicated:

Particulars	2021	As of March 31,		As of December 31, 2023
		2022	2023	
Bank guarantee (₹ million)	161.76	155.48	3,884.38	2,112.60

These bank guarantees may be invoked if we fail to fulfil our obligations in a timely manner or at all. There have been instances where such guarantees have been invoked in the past. For instance, a bank guarantee for an amount of ₹10.59 million was enforced by one of our customers in Fiscal 2022. This bank guarantee, however, was determined to be wrongfully enforced and the amount was subsequently returned with interest in accordance with the directions of the High Court of Assam in June 2022. In certain cases, we may also be required to provide additional guarantees in case performance requirements are not met on the date of commissioning of the project for so long as such defect continues. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. We may not be able to continue to obtain new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited. Providing security to obtain letters of credit, financial and performance bank guarantees also increases our working capital requirements. Our ability to obtain such guarantees or letters of credit depends upon our capitalization, working capital, available credit facilities, past performance, management estimates and reputation and certain external factors, including the overall capacity of the surety and letter of credit market. If we are not able to continue obtaining new letters of credit, bank guarantees and performance bank guarantees in sufficient quantities to match our business requirements, it could have a material adverse effect on our future revenues and business prospects.

**38. *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, labor 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 the manufacturing process, requiring us to either stop our operations or repeat activities that may involve additional time and increase our costs. 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. Further, while

we have not encountered any past instances of manufacturing disruptions due to contraventions of any regulatory approvals in the last three Fiscals and nine months ended December 31, 2023, we cannot assure you that this will be the case in the future. In the event of any contraventions by us of the conditions of our regulatory approvals, the relevant regulators may require our manufacturing facilities to cease, or limit, production until the disputes concerning such approvals are resolved. If such interruptions in the operations of our manufacturing facilities are prolonged, we may have to make alternate arrangements for supplies and products in order to meet our production requirements, which could affect our profitability.

***39. 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 our customer support and ancillary services to resolve issues in relation to the products and services we provide in a timely manner. We may be unable to respond to / accommodate short-term increases in demand for our products or associated customer support in a timely manner. 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 requests in connection with our products and services, 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 result in loss of business and adversely affect our business, prospects and financial performance.

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

We have signed a letter of intent with an American solar manufacturer to enter into a joint venture to set up a TOPCon solar cell manufacturing facility (which may be extended to include the manufacturing of solar modules) in the United States and a memorandum of understanding with, among others, an international semiconductor wafer supplier to establish a new company dedicated in wafering solar bricks into wafers in Malaysia and may further expand our business through strategic acquisitions of or joint ventures with other entities going forward. See “*Our Business – Business Strategies – Expand our overseas presence and increase our exports especially in the U.S. market through strategic backward integration of our production chain and establishing manufacturing capabilities outside of India*” on page 214. Successful integration will depend on our ability to effect any required changes in operations or personnel of the acquired or joint entity, as the case may be, 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 involve risks that could materially and adversely affect our business, including the failure of such acquisitions or joint ventures to achieve the expected investment results. Both the above letter of intent and memorandum of understanding are non-binding and there can be no assurance that we will enter into definitive agreements in respect of either or both endeavors. Thus, there can be no assurance that the proposed joint ventures above will materialize or even if they do materialize, that we will be able to integrate our existing operations with the same. There can also be no assurance that we will be able to integrate our existing operations with the operations of future acquisitions or joint ventures or that management’s attention and resources will not be diverted onerously to these endeavors. Further, there can be no assurance that the amounts paid by our Company towards such acquisitions or joint ventures will provide the anticipated benefits.

***41. We may not be able to adequately protect our intellectual property.***

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, 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. Like many of our competitors, we possess extensive technical knowledge about our products. Such technical knowledge has been built up through our own experiences and through our agreements to avail technical knowhow, which grant us access to new technologies.

Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. While we have registered certain trademarks in India, including our



logos and may register our other intellectual property in the future, 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. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. While there have been no instances in the past, the illegal use or impersonation of our trademarks or logos by third parties or any negative publicity about our brand(s) could affect our reputation which, in turn, could affect our ability to attract and/or retain customers, which may adversely affect our business and results of operations.

***42. We may infringe the intellectual property rights of others and we may face claims that may be costly to defend and/or limit our ability to use such technology in the future, which may have a material adverse effect on our business, financial condition and results of operations.***

As we expand our business, third parties may assert that our technologies or techniques violate their intellectual property rights. Such intellectual property claims against us could result in significant financial liability or prevent us from operating all or part of our business. 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 technologies, obtain additional licenses or cease certain segments of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. For instance, under the agreements with some of our customers, we are required to, among others, pay damages or indemnify our customers in the event a successful intellectual property claim is brought against them in connection with the use of our products. While we have not been subject to such claims, including trademark disputes instituted against our Company before any judicial forum, nor has a third party brought claims against one of our customers for their use of our Company's products in the last three Fiscals and nine months ended December 31, 2023, any such claims, regardless of their merits, could materially and adversely affect our relationships with current or future customers, result in costly litigation, cause product shipment delays or stoppages, divert management's attention and resources, subject us to significant liabilities, require us to enter into additional royalty or licensing agreements or require us to cease certain activities. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

***43. Our previous statutory auditors have included an emphasis of matter in their report on our financial statements.***

Our previous statutory auditors have included the following emphasis of matter in their audit report on our financial statements for Fiscal 2021, describing the adjustment of the comparative information of our Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 to account for the difference in accounting principles adopted by our Company during the transition to Ind AS:

*"We draw attention to Note 26 of the consolidated Ind AS financial statements wherein certain non-compliances with ESI and PF Acts have been reported with respect to a subsidiary audited by other auditor. The auditors of such a subsidiary company have reported an Emphasis of Matter in this regard in their report of the said subsidiary company.*

*Our opinion is not modified in respect of above matters."*

For details, see "***Restated Consolidated Financial Information – Notes forming part of the Restated Consolidated Financial Information – Note 2: Material Accounting Policies***" on page 293.

In addition, our statutory auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 / Companies (Auditor's Report) Order, 2020 issued by the Central Government of India under Section 143(11) of the Companies Act, 2013 on the standalone audited financial statements as at and for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023, respectively.

We cannot assure you that our Statutory Auditors' observations for any future financial period will not contain similar emphasis of matters or other matters prescribed under the Companies (Auditor's Report) Order 2020, and that such matters will not otherwise affect our results of operations.

**44. 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 solar cell and module manufacturers as well as solar cell and module manufacturers from China and Southeast Asia for domestic demand, while our export sales face competition from a wide range of global solar cell and module manufacturers. In particular, under the Free Trade Agreement between India and ASEAN countries, modules and cells of Chinese origin are subject to basic customs duty when imported into India, while those manufactured in other ASEAN countries are exempt from such duty. If manufacturers in other ASEAN countries increase their solar cell and module manufacturing capacities, we could face increased competition from the products exported by such manufacturers to India. There can be no assurance that we will be able to adapt to new technology or maintain the quality standards of our manufacturing facilities. Some of our key competitors across our business verticals include Waaree Energies, Mundra Solar, Jupiter Solar, Vikram Solar, Goldi Solar, RenewSys India and Websol Green Energy. (Source: F&S Report)

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.

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

As of February 29, 2024, we had total outstanding borrowings on a consolidated basis (consisting of long-term borrowings, short-term borrowings and non-fund based facilities) of ₹18,954.78 million. See “**Financial Indebtedness**” on page 398. The documentation in relation to borrowings we have obtained contains, and documents governing our future borrowings may contain, numerous financial and operating covenants that may limit the discretion of our management with respect to certain business matters. These covenants place restrictions on, among other things: (a) changes to the capital structure or ownership of our Company or Subsidiaries, including dilution of promoters’ shareholding; (b) amendments to the memorandum and/or articles of association of our Company or Subsidiaries, (c) changing the constitution / composition of the Board and any change in their remuneration; (d) undertaking any merger, de-merger, amalgamation, reconstruction, or scheme of arrangement; (e) change in the general nature of business of our Company or Subsidiaries; (f) to undertake any expansion, scheme, acquisition of fixed assets, or new project; (g) raise new loans or issue any guarantees on behalf of another Company; or (h) invest in or lend funds / advances to any other entity. Certain of our existing debt financing agreements also require, and documents governing our future indebtedness may require, us to furnish certain security in favor of the relevant lender and meet certain financial ratios and tests. While we have received consents from our lenders in relation to the Offer, to the extent applicable, some of these consents are subject to certain conditions, including receipt of consents from all applicable lenders and absence of any event of default. 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. For instance, in the past we have paid a penal charge of ₹136,392 to a lender for non-compliance with a covenant in respect of obtaining prior consent for an investment made by our Company.

In addition, one of our Subsidiaries, PEGEPL, has availed the Project Loan pursuant to its sanction letter dated February 29, 2024. The Project Loan is secured by a mortgage over the immovable property pertaining to the Project, hypothecation of movable assets of the Project, guarantees by the promoters of PEGEPL, personal guarantee of our Promoter Chiranjeev Singh Saluja, and a pledge on 51% of the outstanding share capital and convertible securities of PEGEPL. In case of an event of default under the Project Loan, the lender may invoke the pledge which would result in IREDA acquiring equity and management control over PEGEPL. Any loss of control over our Subsidiaries would hamper our ability to implement our overall business strategy and would adversely affect our growth prospects.

As a result of these restrictions, we may be limited in how we conduct our business, unable to raise additional debt or equity financing to operate during general economic or business downturns, or unable to compete effectively or to take advantage of new business opportunities. These restrictions may also impair our ability to grow in line with our strategy, and may adversely affect our financial condition and results of operations. While there has been no instance of default under our indebtedness obligations in the last three Fiscals and nine months ended December 31, 2023, there can be no assurance that such instances may not arise in the future.

Further, if we experience a decline in cash flows due to any of the factors described in this section or otherwise, we could face difficulty in paying interest and the principal amount of our outstanding indebtedness.



The table below sets out our debt service coverage ratio for the last three Fiscals and nine months ended December 31, 2023:

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at December 31, 2023
Debt Service Coverage Ratio <sup>(1)</sup> (in times)	1.64	0.86	1.17	2.60

**Note:**

(1) Debt Service Coverage Ratio is calculated by dividing debts to be serviced with earnings available for debt service. Debts to be serviced is calculated as interest and lease payments plus principal repayments. Earnings available for debt service is calculated as the sum of restated net profit after taxes, non-operating cash expenses (depreciation and amortization, provision for doubtful debts, provision for impairment of investments, bad debts written off and provision for warranty) and interest.

If we are unable to generate sufficient cash flow or otherwise obtain the funds necessary to make required payments under our loan agreements, or if we fail to comply with the various requirements of our indebtedness, we could be in default of our loan agreements. We cannot assure you that our lenders will not interpret any terms and conditions of our loan agreements or consents differently to us, and any such disagreements could potentially lead to disputes with our lenders. Any such default that is not cured or waived, or any such disputes, could result in an acceleration of indebtedness then outstanding under our loan agreements, an acceleration of any other indebtedness to which a cross-acceleration or cross-default provision applies, a requirement that we pay the obligations in full, conversion of debt to equity in accordance with regulatory guidelines, payment of penal interest or liquidated damages or permit the lenders to exercise remedies with respect to all of the collateral securing our indebtedness. See “**Financial Indebtedness**” on page 398 for details of the security we have granted in relation to our loan agreements. In addition, lenders may be able to terminate any commitments they had made to supply us with funding under various credit facilities.

For further details of the terms and conditions of our borrowing arrangements, see “**Financial Indebtedness**” on page 398.

**46. Our success depends on our ability to retain and attract qualified senior management and other key personnel, and if we are not able to retain them or recruit additional qualified personnel, we may be unable to successfully develop our business.**

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. One way we have strived to do so is through the establishment of an employee share option scheme. 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 easily or at all. The following table sets forth the attrition rate of the years / period indicated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine months ended December 31, 2023
Total number of employees	642	986	1,072	1,396
Attrition Rate (%) <sup>(1)</sup>	21.69	18.53	22.45	17.34

**Note:**

(1) Attrition rate has been calculated as the number of employees who have resigned during the period, divided by the number of employees existing as of the beginning of the period and the numbers of employees who have joined during the period.

For details in the change in Key Managerial Personnel and Senior Management as on the date of this Draft Red Herring Prospectus, please see “**Our Management – Changes in Key Managerial Personnel or Senior Management during the last three years**” on page 274.

Further, India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution, and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment.

**47. Exchange rate fluctuations may adversely affect our results of operations.**

Although our reporting currency is the Indian Rupee, we engage in certain business activities and incur expenses in foreign currencies. For instance, the payments for our exports are often made in foreign currencies. Additionally, we import a significant volume of raw materials for our product manufacturing, with transactions and payments for these imports typically made in foreign currencies such as USD. Consequently, we face currency translation and transaction risks, and we may not always be able to pass the full extent of foreign currency fluctuation losses onto our customers, potentially leading to losses due to these fluctuations. Since we report financial results in Indian Rupees, when we earn revenue or profits in other currencies, converting these results into Indian Rupees could significantly increase or decrease the reported amounts of those revenues or profits. Moreover, if we cannot align revenues received in foreign currencies with costs incurred in the same currencies, exchange rate fluctuations could materially and adversely affect our liquidity or the efficient management of our working capital. Therefore, volatility in currency exchange rates may have a material adverse effect on our business, financial condition and results of operations. While we enter into forward contracts and may in the future 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 to take such measures may adversely affect our results of operations and financial position.

The table below sets forth certain details of our import purchases / purchases in foreign currency as a percentage of total purchases as of and for the year / period indicated:

Particulars	For the nine months ended December 31, 2023			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	
Total purchases (₹ million)	5,251.76	7,391.39	15,857.71	16,717.19
Import purchases / purchases in foreign currency (₹ million)	1,888.23	4,493.43	8,687.21	10,698.56
Percentage of total purchases (%)	35.95	60.79	54.78	64.00

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

We extend certain credit periods to some of our customers and are therefore exposed to credit risk from such customers. The table below sets forth certain details of our trade receivables, and trade receivable turnover days as of and for the year / period indicated:

Particulars	As of and for the financial year ended March 31,			As of and for the nine months ended December 31, 2023
	2021	2022	2023	
Trade receivables (₹ million)	1,620.00	1,451.82	594.61	2,517.81
Trade receivables turnover days (number of days)	92.07	75.46	26.14	21.22*

\* Not annualized

**Note:**

(1) Trade receivables turnover days is calculated as 365 days divided by debtor turnover ratio. Debtor turnover ratio is calculated as revenue from operations divided by average debtor; where average debtor is the average of opening and closing debtors as disclosed in the Restated Consolidated Financial Information.

A customer's ability to make payments on time depends on various factors such as the prevailing economic and market conditions and the customer's cash flow position, factors which are all out of our control. Any delays we experience in receiving payments due from our customers may adversely affect our cash flow position and our ability to meet our working capital requirements. We have in the past experienced delays in receiving payments from our customers relating to our EPC and IPP businesses ranging between four to six months. There can be 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.

Further, bringing any action against our customers to enforce their contractual obligations is often difficult and detrimental to our relationship with them and there can be no assurance that if we initiate any legal proceedings against such customers, we will receive a judgment in our favor or on a timely basis.

***49. 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 products. Certain of the raw materials that we use are corrosive and flammable and require expert handling and storage. Our materials, manufacturing processes and products are susceptible to damage or contamination if not appropriately stored, handled and processed, which may affect the quality of the finished product. While we have necessary controls and processes in place, any failure of such systems, mishandling of hazardous chemicals, gas leakages, explosion or any adverse incident related to the use of these chemicals or gases or otherwise during the manufacturing process, transportation, handling or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life and property, damage to our and third-party property and/or environmental damage, require shutdown of one or more of our manufacturing facilities and expose us to civil or criminal liability. If any such event were to occur, we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution. Although there have been no such material incidents that have occurred in the last three Fiscals and nine months ended December 31, 2023, should such an incident happen in the future, we cannot assure you that it will not result in the losses of inventory and/or disruption in our manufacturing operations entirely, which may have an adverse effect on our results of operations, cash flows and financial condition.

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

We maintain an amount of insurance protection that we consider adequate for our business including insurance policies 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 risks 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, 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 and on similar terms, at acceptable cost or at all. While there has been no instance in the last three Fiscals and nine months ended December 31, 2023 where we experienced losses exceeding our insurance coverage, there is no assurance that such instances will not arise in the future.

Our construction works are undertaken by third-party contractors and typically require workmen to work at height, lift heavy equipment and other activities which all involve various levels of safety risks. While we have a safety team in place with a “permit to work” system which adheres to industry-standard safety practices, there could nevertheless be lapses which can sometimes cause injuries or fatalities in the course of undertaking such construction work. In the event of such incidents, our Company could be held responsible as the principal employer. While our Company does have insurance such as an erection all risk policy and workmen’s compensation policy, and requires compliance with all labor laws such as the Employees’ State Insurance Act, 1948 and the Employees’ Provident Fund Scheme for our contractor employees, in the event of an incident which is covered by insurance, our Company may not suffer any monetary impact but could nevertheless suffer from loss of reputation. For example, during the construction of our Unit III manufacturing facility in 2023, there was a fatal accident involving a construction worker. While the Office of the Director of Factories, Telangana, Hyderabad, has dropped the action against our Company, and compensation was dispensed in accordance with the relevant insurance policies, our reputation was negatively impacted. There can be no assurance that such accidents will not happen again in the future which may have an adverse impact our financial position, reputation, financial condition and business performance.

The table below provides details of our insurance claims for the year/period indicated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine months ended December 31, 2023
	(₹ million)			
Claims made <sup>(1)</sup>	4.79	5.94	6.19	28.57
Claims settled	4.79	4.09	1.32	10.48
Under process	—	—	—	13.70
Rejected, salvage and excess	0	1.85	4.87	4.38

**Note:**

<sup>(1)</sup> Certain amounts for claims made were considered the same as settlement amount due to the non-availability of claim data.

The table below provides details of our insurance cover for the year/period indicated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine months ended December 31, 2023
Insurance cover for property, plant and equipment, and inventory (₹ million)	9,529.34	9,460.90	20,127.06	25,090.89
Gross block of property, plant and equipment including solar power plant, CWIP and inventory (₹ million)	5,207.08	8,665.39	16,812.86	21,814.95
Insurance cover as a percentage of gross block of property, plant and equipment including solar power plant, CWIP and inventory (%)	183.01	109.18	119.71	115.02

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 – Our Business Operations – Insurance**” on page 232.

**51. We have certain contingent liabilities and capital commitments which have been disclosed in our Restated Consolidated Financial Information, which if they materialize, may adversely affect our results of operations, cash flows and financial condition.**

The following is a summary table of our contingent liabilities as per Ind AS 37 as on December 31, 2023 as indicated in our Restated Consolidated Financial Information.

(in ₹ million)

Sr. No.	Particulars	As on December 31, 2023
1.	Outstanding bank guarantees	2,112.60
2.	Claims arising from disputes not acknowledged as debts-direct taxes	33.53
3.	Claims arising from disputes not acknowledged as debts-indirect taxes	69.85
4.	Corporate guarantee given for the borrowings taken by the Group	12,523.90
5.	Comfort letter given for the borrowings taken by the Group	2,435.40

As on December 31, 2023, our Company has a contingent liability of ₹809.87 million (March 31, 2023: ₹407.66 million, March 31, 2022: ₹ nil, March 31, 2021: ₹ nil) towards customs duty and goods and services tax for capital goods imported under the MOOWR scheme against which our Company has executed and utilized a bond as at December 31, 2023, amounting to ₹2,429.61 million (March 31, 2023: ₹1,222.98 million, March 31, 2022: ₹ nil, March 31, 2021: ₹ nil). The firm liability towards such customs duty shall be contingent upon conditions at the time of filing an ex-bond bill of entry at the time of disposal. In case our Company decides to export such capital goods, the associated costs shall not be significant. Based on our Company’s assessment of use of capital goods, management expects that liability will not arise for the same. See “**Restated Consolidated Financial Information – Notes forming part of the Restated Consolidated Financial Information – Note 39: Contingent Liabilities**”.

The following table sets forth the estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	<i>(₹ million)</i>			
Capital commitments	138.37	12,797.48	863.04	—

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, cash flows, financial condition and results of operations. For further information on contingent liabilities as per Ind AS 37 as of December 31, 2023, see “**Restated Consolidated Financial Information – Notes forming part of the Restated Consolidated Financial Information – Note 39: Contingent Liabilities**” on page 331.

**52. We are unable to trace some of our historical corporate records including in relation to certain allotments, changes in our registered office and appointment of directors. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation.**

Our Company has not been able to trace certain corporate records such as ROC form filings and challans. Information in relation to share allotments, changes in our registered office and initial appointment of Chiranjeev Singh Saluja has been disclosed in the sections “**Capital Structure**”, “**History and Certain Other Corporate Matters**” and “**Our Management**” on pages 95, 244 and 257, respectively, in this Draft Red Herring Prospectus, based on statutory register of members, minutes of the meetings of our Board (to the extent available), demat statements and information available to our Company.

We have been unable to trace these documents despite commissioning a detailed search at ROC Hyderabad through an independent practicing company secretary, P S Rao & Associates (“**Practicing Company Secretary**”), to trace records and filings available with ROC Hyderabad and reliance has been placed on the certificate dated April 18, 2024 issued by the Practicing Company Secretary. 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. Some of our corporate records also include certain errors. For example, the resolution passed by our Board on June 21, 2005 approving the change in the registered office includes an incorrect address. 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 and the amount of penalty is not likely to be material, we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect.

**53. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.**

To remain competitive, we need to keep pace with technological developments and changing standards on account of market conditions or customer requirements. If we are unable to adequately respond to the technological changes and the technologies currently employed by us become obsolete, our business, financial condition, cash flows and results of operations may be materially and adversely affected. In addition, the cost of implementing new technologies and upgrading our facilities to keep pace with technological developments may be significant and may adversely affect our results of operations. Furthermore, some of our recent technology and automation implementation for our manufacturing facilities may not result in the expected efficiencies and benefits we anticipate, and may involve significant technical risks and upfront capital investments that may not generate a commensurate return on investment. For instance, we are currently transitioning from a monocrystalline passivated emitter and rear cell (“**PERC**”) cell line to a TOPCon cell line. If competing technologies such as HJT achieve greater performance efficiencies and have other inherent advantages over TOPCon, it could render the TOPCon upgrade obsolete. We may similarly face competition from more advanced process technology developed by other manufacturers, which may cause our technology to become obsolete in comparison.

**54. If we are unable to establish and maintain effective internal controls and compliance systems, 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 our operations which cover all facets of our operations such as monitoring and managing risks relating to our supply chain. Our internal audit functions evaluate the adequacy and effectiveness of internal systems on an ongoing basis so that our operations are in line with 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 systems. 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, our internal controls must as well and 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.

Additionally, our business operations must adhere to anti-corruption laws and regulations. Such laws generally forbid us, our employees, and our agents from engaging in bribery or making illicit payments to government officials or others to secure or maintain business or to achieve an unfair business advantage. We engage in partnerships and dealings with third parties whose conduct could expose us to legal liability under these or other local anti-corruption statutes. Although our code of conduct mandates that our employees and agents abide by all relevant laws, and we are actively improving our policies and procedures to ensure adherence to anti-corruption laws and regulations, there is still a risk that these efforts may not prevent violations, particularly in high-risk markets such as India's solar energy sector. Non-compliance with anti-corruption laws can lead to criminal and civil penalties, forfeiture of profits and other sanctions, and legal expenses, all of which could have an adverse impact on our business, financial condition, results of operations and liquidity. Furthermore, any investigations by authorities into any potential violations of anti-corruption laws 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 instances of inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

**55. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval.**

We propose to utilize the Net Proceeds towards investment in our Subsidiary PEGEPL for part-financing the Project and general corporate purposes. For further information of the proposed objects of the Offer, see "**Objects of the Offer**" on page 119. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. Further, while our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain shareholders' approval in a timely manner, or at all. Any delay or inability to obtain such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and in such manner as prescribed by SEBI. Additionally, the requirement on our Promoters to provide an exit opportunity to such dissenting Shareholders may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interests of our Company. Further, our Promoters may not have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interests of our Company. This may restrict our Company's ability to respond to

any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

**56. *If inflation were to rise in India, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers and our profits might decline.***

Inflation rates could be volatile, and we may face high inflation in the future as India had witnessed in the past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability.

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 operating expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition.

While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future.

**57. *Our corporate office, branch offices, warehouses and guest houses are located on leased premises. There can be no assurance that our lease or rental agreements will be renewed upon termination or that we will be able to lease other premises on the same or similar commercial terms.***

The premises for our Company's registered office is owned by our Subsidiary but the premises upon which our corporate office is located is not owned by us. We also have branch offices, warehouses and guest houses across India, which we hold on a leasehold basis or pursuant to a letter of allotment from a government enterprise. In the event of any termination or expiry of our agreements for these premises, we may be required to relocate our operations to other premises during which time our Company may incur the expenses such as: (a) transportation and relocation costs; (b) setting up of utilities and infrastructure; (c) civil and engineering works; and (d) other miscellaneous expenses. The exact financial impact of such relocation cannot be ascertained at this stage. There can be no assurance that we will be able to retain and renew these agreements on the same or similar terms, or find alternate locations on similar terms, or at all.

**58. *We are dependent on our Promoters, Directors, Key Managerial Personnel and Senior Management and the loss of any key team member may adversely affect our business performance.***

Our Promoters, Directors, Key Managerial Personnel and Senior Management have been instrumental in the growth and development of our Company. We benefit from our Promoters, and any decline in our relationship with them could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

Further, our businesses are dependent upon an experienced senior management team and we believe that the experience and skill of our Board of Directors, Key Managerial Personnel and Senior Management and our investors allows us to possess an advantage over our competitors. If one or more members of our Board of Directors, Key Managerial Personnel and Senior Management were unable or unwilling to continue in their present positions, such persons would be difficult to replace and our business, results of operations, financial condition, cash flows and future prospects could be adversely affected. To maintain and grow our business, we will need to identify, hire, develop, motivate, and retain highly skilled employees. Identifying, recruiting, training, integrating, and retaining qualified individuals requires significant time, expense, and attention. We may need to invest significant amounts of cash to attract and retain new employees and expend significant time and resources to identify, recruit, train, and integrate such employees, and we may not realize any anticipated returns on these investments. If we are not able to retain and motivate our current personnel or effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to achieve our strategic objectives and employee morale, productivity, and engagement could suffer, which could adversely affect our business, financial condition, cash flows and results of operations.

Any loss of members of our Board of Directors, Key Managerial Personnel and Senior Management could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business and customer relationships.

**59. *Our Promoters, Directors, Key Managerial Personnel and Senior Management may have interests other than reimbursement of expenses incurred and receipt of remuneration or benefits from our Company. Certain of our Promoters and Directors may have interests in entities, which are in businesses similar to ours and this may result in conflict of interest with us.***

Certain of our Promoters, Directors, Key Managerial Personnel and Senior Management are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and our stock options and benefits arising therefrom. Furthermore, our Promoters, Directors, Key Managerial Personnel and Senior Management may also be deemed to be interested in arrangements entered into by our Company with entities in which they or their relatives hold directorships or partnership interests. For further information, see “*Our Promoters and Promoter Group – Interests of Promoters*”, “*Our Management – Interest of Directors*” and “*Our Management – Interests of Key Managerial Personnel and Senior Management*” on pages 278, 263 and 274, respectively.

Further, certain of our Promoters and Directors may have interests in entities, to the extent of their shareholding and/or directorships, which are in businesses similar to ours and this may result in conflict of interest with us. For instance, Surender Pal Singh Saluja, Chiranjeev Singh Saluja, Uday Sudhir Pilani, Revathi Rohini Buragadda, Rohan Mehta and Abhishek Loonker are also directors of some of our Subsidiaries, PEPPL, PEIPL and PEGEPL which are engaged in the same line of business. We cannot assure you that our Promoters and Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. In the event that any conflicts of interest arise, our Promoters and Directors may make decisions regarding our operations, financial structure or commercial transactions that may not be in our shareholders’ best interest. It may also enable a competitor to take advantage of a corporate opportunity at our expense. Such decisions could have a material adverse effect on our business, financial condition, results of operations and prospects. Should we face any such conflicts in the future, there is no guarantee that they will be resolved in our favor.

Our Promoters holding Equity Shares may also take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further details, see “*Capital Structure*” on page 95.

**60. *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.***

We have used the report titled “*Industry Report on Solar Cell and Module Market*” dated April 18, 2024 by F&S, appointed on February 6, 2024 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 Draft Red Herring Prospectus at an agreed fee to be paid by our Company. The information is subject to various limitations, highlights certain industry and market data relating to us and our competitors which may not be based on any standard methodology and is based upon certain assumptions that are subjective in nature. F&S is an independent agency and neither the Company, nor its Directors, Promoters, Subsidiaries, Selling Shareholders, nor the BRLMs to the Offer, is a related party to F&S as per the definition of “related party” under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Given the scope and extent of the F&S Report, disclosures are limited to certain excerpts and the F&S 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 materially left out or changed in any manner. Accordingly, investors should read the industry-related disclosures in this Draft Red Herring Prospectus in this context. 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 should not place undue reliance on or base their investment decision solely on this information. Also see, “*Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data*” on page 17.

**61. *We may be subject to unionization, work stoppages or increased labor costs, which could adversely affect our business, cash flows and results of operations. We also have a large number of contract laborers resulting in increased costs to the Company.***

The success of our operations depends on the availability of labor and maintaining a good relationship with our workforce. As of December 31, 2023, we employed 1,396 employees across our various offices and manufacturing



facilities. In addition, we also employ contract laborers for conducting various activities at our manufacturing facilities. As of December 31, 2023, we had engaged 2,059 contract laborers. While our employees are not unionized into any labor or workers' unions and have not experienced any major work stoppages due to labor disputes or cessation of work in the last three Fiscals and nine months ended December 31, 2023, 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 labor. There can be no assurance that we will not experience labor unrest in the future, which may delay or disrupt our operations. Any labor unrest including labor disputes, strikes and lock-outs or 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.

***62. We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operations and financial performance in this Draft Red Herring Prospectus that are subject to inherent measurement challenges. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial, or industry-related statistical information of similar nomenclature computed and presented by other companies. Such supplemental financial and operational information is therefore of limited utility as an analytical tool for investors and there can be no assurance that there will not be any issues or such tools will be accurate going forward.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial and operational measures, and such other industry-related statistical and operational information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of businesses similar to ours, many of which provide such non-GAAP financial and operational measures, and other industry-related statistical and operational information. These non-GAAP financial and operational measures, and such other industry-related statistical and operational information relating to our 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 and operational measures, and industry-related statistical information of similar nomenclature that may be computed and presented by other companies pursuing similar business. See “***Definitions and Abbreviations***”, “***Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation***”, “***Basis for Offer Price***”, “***Our Business***”, “***Restated Consolidated Financial Information***” and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” beginning on pages 1, 16, 135, 204, 280 and 351, respectively.

Further, in evaluating our business, we consider and use certain key performance indicators that are presented herein as supplemental measures to review and assess our operating performance. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators have limitations as analytical tools and may differ from, and may not be comparable to, estimates or similar metrics or information published by third parties and other peer companies due to differences in sources, methodologies, or the assumptions on which we rely, and hence their comparability may be limited. As a result, these metrics should not be considered in isolation or construed as an alternative to our financial statements or as an indicator of our operating performance, liquidity, profitability or results of operations. Further, as the industry in which we operate continues to evolve, the measures by which we evaluate our business may change over time. In addition, we calculate measures using internal tools, which are not independently verified by a third party. If the internal tools we use to track these measures under-count or over-count performance or contain algorithmic or other technical errors, the data and/or reports we generate may not be accurate. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of the Restated Consolidated Financial Information of our Company in disclosed in “***Our Business***”, “***Restated Consolidated Financial Information***” and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” beginning on pages 204, 280 and 351, respectively.

While we have not experienced any issues on account of such tools in the past, there can be no assurance that there will not be any issues or such tools will be accurate going forward. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our key performance indicators are not accurate

representations of our business, or if investors do not perceive these metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation may be materially and adversely affected, the market price of our shares could decline, we may be subject to shareholder litigation, and our business, results of operations, and financial condition could be materially adversely affected.

**63. *Any failure or disruption of our information technology systems could adversely impact our business and operations.***

Our business is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. For instance, we have deployed software to manage our enterprise resourcing planning functions. The complexity of our computer systems may make them potentially vulnerable to breakdown, malicious intrusion, cyber-attacks and computer viruses. While we have not experienced any material disruptions to our information technology systems in the last three Fiscals and nine months ended December 31, 2023, we have faced an instance of ransomware attack on our operations, and were able to retrieve data from our back-up systems with minimal disruptions to our operations. We cannot assure you that we will not encounter similar or greater disruptions in the future. Any such disruption may result in the loss of key information or disruption of our business processes, which could adversely affect our business and results of operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others, that may expose sensitive data to unauthorized persons.

**64. *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 in aggregate 304,847,488 Equity Shares, which constitutes 72.23% on a fully diluted basis of the issued, subscribed and paid-up 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 constituent documents, 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. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favor and any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

**65. *Our Company cannot assure payment of dividends on the Equity Shares in the future.***

Our Company has not declared dividends in the past three Fiscals and nine months ended December 31, 2023 and from January 1, 2024 until the date of this Draft Red Herring Prospectus. 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 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. We cannot assure you that we will be able to pay dividends in the future. Further, our Subsidiaries may not pay dividends on equity shares that we hold in them. Consequently, our Company may not receive any return on investments in our Subsidiaries. See "***Dividend Policy***" on page 279.

**66. *The proceeds from the Offer for Sale will be paid to the Selling Shareholders.***

This Offer is being undertaken as a Fresh Issue of Equity Shares as well as an Offer for Sale of Equity Shares by the Selling Shareholders. The Selling Shareholders shall be entitled to the net proceeds from the Offer for Sale, which comprise the proceeds from the Offer for Sale net of Offer expenses shared by the Selling Shareholders, and our Company will not receive any proceeds from the Offer for Sale. Further, our Non-Executive Directors, Abhishek Loonker and Sridhar Narayan, will receive portions of the proceeds of the Offer to the extent of any distributions made by South Asia EBT Trust, an Investor Selling Shareholder, of which they are beneficiaries. For further details, see "***The Offer***", "***Capital Structure***" and "***Objects of the Offer***" on pages 80, 95 and 119, respectively.

## External Risk Factors

**67. *Our business is dependent on the Indian economy. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India. 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. 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, results of operations, cash flows and prospects, and reduce the price of our equity shares.

In particular, the demand for solar power products is influenced by macroeconomic factors, such as the demand and supply and price of other competitive energy products, as well as government policies and regulations concerning the solar power industry. The policies and regulations of the government have been very dynamic in the past and hence affect our operations and business. The price of solar power systems and modules is highly volatile and inconsistent in its trends and requires easy availability of low-cost credit for the end consumers. Any financial disruption could have an adverse effect on our business, financial performance, shareholders' equity and the price of our Equity Shares.

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

Natural disasters (such as typhoons, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, financial condition, and results of operations. Developments in the ongoing conflict between Russia and Ukraine, Israel and Hamas, Iran and the Houthi rebels and certain western countries, have resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity, and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine, the SARS-CoV-2 virus and the monkeypox virus. Another outbreak of any new variant of COVID-19 pandemic such as the new JN.1 variant or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region.

Our restated loss before tax for the year in Fiscal 2022 was ₹156.91 million which included the impact of COVID-19. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations Based on our Restated Consolidated Financial Information*" on page 374. Further, due to nationwide lockdowns, we ceased manufacturing operations for several weeks in April and May of 2020, temporarily affecting our ability to source materials from certain vendors who were unable to transport materials to us, and led to a significant increase in our raw materials cost as a result of increased freight

costs. As a result, any present or future outbreak of a contagious disease could have an adverse effect on our business and the trading price of the Equity Shares.

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

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 and the interest rates and other commercial terms at which such funding is available. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which is outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

**70. Changing laws, rules or regulations and legal uncertainties including taxation laws, or their interpretation, may significantly affect our financial statements.**

The regulatory environment in which we operate is evolving and is subject to change. Governmental and regulatory bodies in India and other countries may enact new regulations or policies, which may require us to obtain approvals and licenses from applicable governments and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are in the process of obtaining. New compliance requirements could increase our costs or otherwise adversely affect our business, prospects, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of prices of raw materials and thereby increase our operational costs. For information on the laws applicable to us, see "**Key Regulations and Policies in India**" on page 236.

The Income Tax Act, 1961 ("**Income Tax Act**") was amended vide the Taxation Laws (Amendment) Ordinance, 2019 on September 20, 2019 to provide domestic companies an option to pay corporate income tax at the effective rate of approximately 25.17% (inclusive of applicable surcharge and health and education cess), as compared to an effective rate of 34.94% (inclusive of applicable surcharge and health and education cess), provided such companies do not claim certain specified deductions or exemptions. Further, where a company has opted to pay the reduced corporate tax rate, the minimum alternate tax provisions would not be applicable. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities, tribunals or courts would have an effect on our profitability.

Further, with the implementation of GST, we are obligated to pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. In order for us to utilize input credit under GST, the entire value chain has to be GST compliant, including us. While we are and will continue to adhere to the GST rules and regulations, there can be no assurance that our suppliers and dealers will do so. Any such failure may result in increased costs on account of non-compliance with the GST and may adversely affect our business and results of operations.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020 and, accordingly, such dividends would not be exempt in the hands of the Shareholders both for residents as well as non-residents. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends.

Further, the GoI has notified the Finance Act, 2024 ("**Finance Act**") which has introduced various amendments to the Income Tax Act. In addition, unfavorable 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. 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.

Similarly, changes in other laws may require additional compliance and/or result in us incurring additional expenditure. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

**71. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business, results of operations and cash flows.**

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 April 11, 2023, the Competition (Amendment) Bill 2023 received the assent of the President of India to become the Competition (Amendment) Act, 2023 (“**Competition Amendment Act**”), amending the Competition Act and giving the CCI additional powers to prevent practices that harm competition and the interests of consumers. It has been enacted to increase the ease of doing business in India and enhance transparency. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial 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 by us cannot be predicted with certainty at this stage. 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**

**72. The Offer Price, market capitalization to revenue from operations multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Company on listing or thereafter.**

Set forth below are details regarding our revenue from operations and restated profit / (loss) after tax in the corresponding year / period:

Particulars	Fiscal 2023	For the nine months ended December
		31, 2023
(₹ million)		
Revenue from operations	14,285.34	20,172.06
Restated profit / (loss) for the period/ year	(133.36)	1,274.02

Our market capitalization to revenue from operations (Fiscal 2023) multiple is [●] times and our price to earnings ratio (based on Fiscal 2023 restated profit / (loss) after tax for the period / year) is [●] at the upper end of the Price

Band and [●] at the lower end of the Price Band. The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process, and certain quantitative and qualitative factors as set out in “**Basis for Offer Price**” on page 135, and the Offer Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter. Investors are advised to make an informed decision while investing in our Company taking into consideration the price per share that will be published in price advertisement, the revenue generated per share in the past and the market capitalization of our company vis-à-vis the revenue generated per share.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

Accordingly, any valuation exercise undertaken for the purposes of the Offer by our Company would not be based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, our competitors launching new products or superior products, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**73. 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, in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under “**Basis for Offer Price**” on page 135 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 418. 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.

**74. Subsequent to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measures and Graded Surveillance Measures by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.**

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the “**Listed Securities**”) in order to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and in order to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures (“**ASM**”) and graded surveillance measures (“**GSM**”).

ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as price-to-earnings ratio, percentage of delivery, client concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, net worth, other measures such as price-to-earnings multiple and market capitalization.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, and low trading volumes as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, limiting trading frequency or freezing of price on the upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on the market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instance may result in a loss of our reputation and diversion of our management's attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

***75. 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 widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face more challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

***76. Investors may not be able to enforce a judgment of a foreign court against us, our 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 most of our Directors, Key Managerial Personnel and Senior Management reside in India. As of the date of this Draft Red Herring Prospectus, all of our assets are 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 recognizes 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 Sections 13, 14 and 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, Republic of Singapore and Hong Kong have been declared by the government to be reciprocating territories 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.

The United States has not been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the CPC. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United

States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely 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 would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

***77. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long-term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India.

In terms of the Finance Act, 2018, with effect from April 1, 2018, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of resident individuals and Hindu Undivided Families. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavorable 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.

***78. 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.

***79. Our Company’s 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 and 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 do 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 and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter.

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 Draft Red Herring Prospectus. These broad market fluctuations and industry factors may materially reduce the market price of our Equity Shares, regardless of our Company's performance. In addition, following the expiry of the six-month locked-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer shareholders may sell their shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

***80. There is no guarantee that the Equity Shares of our Company will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with applicable 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 the 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.

***81. 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 a depository participant could take approximately two 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 three 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.

***82. Any future issuance of Equity Shares or convertible securities or other equity-linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters 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, convertible securities or securities linked to Equity Shares, including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or disposal of our Equity Shares by the Promoters 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 Promoters 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 a 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.

**83. *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, transfers 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 a 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.

For further information, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 458.

**84. *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 Information for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023, are derived from our audited consolidated financial statements as at and for Fiscals 2021, 2022 and 2023, prepared in accordance with Ind AS and our audited consolidated financial statements as at and for the nine months ended December 31, 2023 have been prepared in accordance with Ind AS 34 and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI. 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 advisors 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.

**85. *QIBs and Non-Institutional Investors 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 Investors are not permitted to withdraw their Bids after the Bid/Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors 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. Retail Individual Investors can revise their Bids during the Bid/Offer Period and/or withdraw their Bids 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 three 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 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 Investors 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.

***86. 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, 2013 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 by holders of three-fourths of the equity shares voting on such 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.

***87. 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 SEBI Takeover Regulations.

***88. 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 organizations 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.

## SECTION III – INTRODUCTION

### THE OFFER

The following table summarises the Offer details:

<b>Offer<sup>^</sup></b>	Up to [●] Equity Shares aggregating up to ₹[●] million
<i>Of which:</i>	
Fresh Issue <sup>(1)^</sup>	Up to [●] Equity Shares aggregating up to ₹15,000 million
Offer for Sale <sup>(2)</sup>	Up to 28,200,000 Equity Shares aggregating up to ₹[●] million
<i>The Offer consists of:</i>	
Employee Reservation Portion <sup>(3)</sup>	Up to [●] Equity Shares aggregating up to ₹[●] million
<b>Net Offer</b>	Up to [●] Equity Shares aggregating up to ₹[●] million
<i>The Net Offer comprises of:</i>	
<b>A. QIB Portion<sup>(4)</sup></b>	Not more than [●] Equity Shares
<i>Of which:</i>	
Anchor Investor Portion <sup>(5)</sup>	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
<i>Of which:</i>	
Mutual Fund Portion (5% of the Net QIB Portion)	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
<b>B. Non-Institutional Category<sup>(6)</sup></b>	Not less than [●] Equity Shares
<i>Of which:</i>	
One-third available for allocation to Bidders with a Bid size of more than ₹200,000 and up to ₹1,000,000	[●] Equity Shares
Two-thirds available for allocation to Bidders with a Bid size of more than ₹1,000,000	[●] Equity Shares
<b>C. Retail Category</b>	Not less than [●] Equity Shares
<b>Pre and post-Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer (as on the date of this DRHP)	334,065,168 Equity Shares
Equity Shares outstanding prior to the Offer (after conversion of CCDs)*	422,065,168 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
<b>Use of Net Proceeds</b>	See “ <b>Objects of the Offer</b> ” on page 119 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

<sup>(1)</sup> Our Board has authorised the Offer pursuant to their resolution dated March 12, 2024. Our Shareholders have authorised the Fresh Issue pursuant to their special resolution dated March 12, 2024.

<sup>(2)</sup> Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 18, 2024. Each Selling Shareholder has confirmed that the Offered Shares have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and where such Equity Shares have resulted or shall result from conversion of any CCDs, such CCDs and the Equity Shares resulting from conversion thereof shall have been held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are accordingly eligible for being offered for sale in the Offer in compliance with the SEBI ICDR Regulations. Each Selling Shareholder has authorized the inclusion of their respective portion of the Offered Shares in the Offer for Sale. For details of authorizations received for the Offer for Sale, see “**Other Regulatory and Statutory Disclosures- Authority for the Offer**” beginning on page 411.

<sup>(3)</sup> In the event of 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 (net of Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employees not exceeding ₹500,000 (net of Employee Discount, if any). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹500,000 (net of Employee Discount, if any) to each Eligible Employee), shall be added to the Net Offer. Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date. For further details, see “**Offer Structure**” and “**Offer Procedure**” on pages 432 and 437, respectively.

<sup>(4)</sup> Subject to valid Bids being received at or above the Offer Price, 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, in consultation

with the BRLMs and the Designated Stock Exchange subject to applicable law. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in the section “**Offer Structure**” on page 432.

- <sup>(5)</sup> Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in consultation with the BRLMs 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 in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see “**Offer Procedure**” on page 437.
- <sup>(6)</sup> Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category.
- <sup>^</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. On utilization of Pre-IPO Placement proceeds (if any) prior to the completion of the Offer, it shall be appropriately intimated to the Pre-IPO Placement subscribers that there is no guarantee that our Company may proceed ahead with the Offer or the Offer may be successful and results into listing of the Equity Shares of our Company on Stock Exchanges. Further, relevant disclosures regarding such communication/intimation to the Pre-IPO Placement subscribers shall be appropriately made in the relevant section of the offer documents.
- <sup>\*</sup> As on the date of this Draft Red Herring Prospectus, 17,600,000 CCDs are outstanding which shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least [●]% of the post-Offer paid-up Equity Share capital of our Company. Allocation to all categories of Bidders shall be made in accordance with SEBI ICDR Regulations. 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 Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than the minimum non-institutional application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII to the SEBI ICDR Regulations. For further details, see **Terms of the Offer**, “**Offer Structure**” and “**Offer Procedure**” on pages 425, 432 and 437, respectively.

## SUMMARY FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with “*Restated Consolidated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 280 and 351, respectively. The following tables set forth summary financial information derived from our Restated Consolidated Financial Information.

*[Remainder of this page has been intentionally left blank]*

Restated Consolidated Summary Balance Sheet

(in ₹ million)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	11,688.00	5,836.14	4,714.48	4,196.13
Right-of-use assets	92.01	4.20	7.16	9.36
Capital work in progress	402.03	3,493.26	1,141.96	0.86
Investment property	57.58	58.04	58.65	46.91
Goodwill	0.06	0.06	0.06	-
Other intangible assets	16.20	20.63	4.70	2.19
Financial assets				
(i) Investments	87.40	70.14	65.18	91.42
(ii) Loans	21.99	21.99	-	-
(iii) Other financial assets	1,055.65	397.73	531.46	593.22
Deferred tax assets (net)	69.46	2.49	11.18	15.67
Other non-current assets	154.13	589.29	236.49	363.88
Income tax assets (net)	54.11	55.50	-	-
<b>Total non-current assets</b>	<b>13,698.62</b>	<b>10,549.47</b>	<b>6,771.32</b>	<b>5,319.64</b>
<b>Current assets</b>				
Inventories	7,995.60	6,328.55	2,169.27	626.41
Financial assets				
(i) Investments	-	517.58	482.17	-
(ii) Trade receivables	2,517.81	594.61	1,451.82	1,620.00
(iii) Cash and cash equivalents	2,163.77	645.70	800.99	144.54
(iv) Bank balances other than (iii) above	1,723.84	1,288.99	795.78	649.62
(v) Loans	9.55	3.50	6.93	18.44
(vi) Other financial assets	222.86	80.04	117.77	67.61
Current tax assets (net)	-	20.68	12.78	-
Other current assets	1,055.27	1,077.76	788.97	1,178.31
Assets classified as held for sale	-	-	17.14	144.12
<b>Total current assets</b>	<b>15,688.70</b>	<b>10,557.41</b>	<b>6,643.62</b>	<b>4,449.05</b>
<b>Total assets</b>	<b>29,387.32</b>	<b>21,106.88</b>	<b>13,414.94</b>	<b>9,768.69</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	263.46	263.46	263.46	249.51
Instruments entirely equity in nature	1,698.74	1,698.74	1,698.74	-
Other equity	3,442.56	2,149.95	1,984.04	1,971.17
<b>Equity attributable to the owners of the company</b>	<b>5,404.76</b>	<b>4,112.15</b>	<b>3,946.24</b>	<b>2,220.68</b>
Non controlling interest	130.34	130.34	93.15	169.45
<b>Total equity</b>	<b>5,535.10</b>	<b>4,242.49</b>	<b>4,039.39</b>	<b>2,390.13</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings	8,499.08	5,698.10	3,322.71	2,467.50
(ii) Lease liabilities	77.33	1.38	4.43	5.31
Provisions	385.57	287.49	307.60	349.88
Deferred tax liability (net)	452.52	83.83	76.27	188.67
Other non-current liabilities	408.71	419.28	526.95	253.22
<b>Total non-current liabilities</b>	<b>9,823.21</b>	<b>6,490.08</b>	<b>4,237.96</b>	<b>3,264.58</b>
<b>Current liabilities</b>				
Financial liabilities				
(i) Borrowings	5,601.37	1,937.32	1,210.26	984.43
(ii) Lease liabilities	14.57	3.06	2.65	2.52
(iii) Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises	108.95	142.52	207.34	83.38
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,906.70	3,836.63	2,492.08	1,539.48
(iv) Other financial liabilities	1,123.19	1,689.72	339.06	380.43
Other current liabilities	2,209.44	2,759.82	877.66	1,108.08
Provisions	8.00	5.24	8.54	4.48
Current tax liabilities (net)	56.79	-	-	11.18
<b>Total current liabilities</b>	<b>14,029.01</b>	<b>10,374.31</b>	<b>5,137.59</b>	<b>4,113.98</b>
<b>Total liabilities</b>	<b>23,852.22</b>	<b>16,864.39</b>	<b>9,375.55</b>	<b>7,378.56</b>
<b>Total equity and liabilities</b>	<b>29,387.32</b>	<b>21,106.88</b>	<b>13,414.94</b>	<b>9,768.69</b>



Restated Consolidated Summary of Profit and Loss

(in ₹ million, unless otherwise stated)

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>				
Revenue from operations	20,172.06	14,285.34	7,428.71	7,014.58
Other income	155.56	346.78	241.62	347.77
<b>Total income</b>	<b>20,327.62</b>	<b>14,632.12</b>	<b>7,670.33</b>	<b>7,362.35</b>
<b>Expenses</b>				
Cost of materials consumed	15,660.27	11,105.19	3,987.20	4,768.23
Purchases of stock-in-trade	1,291.44	1,568.23	2,281.31	519.68
Changes in inventories of finished goods and work-in-progress	(1,867.17)	(934.07)	(397.93)	(80.83)
Contract execution expense	408.57	246.09	316.12	576.92
Employee benefits expense	401.69	448.09	246.38	196.73
Finance costs	759.93	686.27	430.03	216.56
Depreciation and amortisation expenses	590.46	532.33	276.01	116.41
Other expenses	1,344.25	1,069.78	699.87	496.96
<b>Total expenses</b>	<b>18,589.44</b>	<b>14,721.91</b>	<b>7,838.99</b>	<b>6,810.66</b>
<b>Restated Profit / (Loss) before tax and share of profit of associates</b>	<b>1,738.18</b>	<b>(89.79)</b>	<b>(168.66)</b>	<b>551.69</b>
Share of profit of associates	9.87	12.19	11.75	6.50
<b>Restated Profit / (Loss) before tax</b>	<b>1,748.05</b>	<b>(77.60)</b>	<b>(156.91)</b>	<b>558.19</b>
<b>Tax expense:</b>				
Current tax	173.43	39.95	95.04	179.65
Deferred tax charge / (credit)	300.60	15.81	(107.87)	120.47
<b>Total tax expense</b>	<b>474.03</b>	<b>55.76</b>	<b>(12.83)</b>	<b>300.12</b>
<b>Restated Profit / (Loss) for the period / year</b>	<b>1,274.02</b>	<b>(133.36)</b>	<b>(144.08)</b>	<b>258.07</b>
<b>Other Comprehensive Income / (Loss)</b>				
<b>(i) Items that will not be reclassified subsequently to profit or loss</b>				
Re-measurement of gain/ (loss) on defined benefit plans	(3.41)	1.88	(0.16)	4.55
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>	0.74	(0.44)	0.04	(1.15)
<b>(iii) Items that will be reclassified subsequently to profit or loss</b>				
Gain/ (loss) on fair value of investment carried at fair value through other comprehensive income	7.39	-	-	(3.85)
<b>(iv) Income tax relating to items that will be reclassified to profit or loss</b>	(1.86)	-	-	-
<b>Restated Other Comprehensive Income / (Loss) for the period/year</b>	<b>2.86</b>	<b>1.44</b>	<b>(0.12)</b>	<b>(0.45)</b>
<b>Restated Total Comprehensive Income/ (Loss) for the period / year</b>	<b>1,276.88</b>	<b>(131.92)</b>	<b>(144.20)</b>	<b>257.62</b>
<b>Restated Profit/ (Loss) for the period/ year attributable to:</b>				
Owners of the company	1,274.02	(128.05)	(143.60)	234.79
Non-controlling interests	-	(5.31)	(0.48)	23.28
	<b>1,274.02</b>	<b>(133.36)</b>	<b>(144.08)</b>	<b>258.07</b>
<b>Restated Other Comprehensive Income / (Loss) attributable to</b>				
Owners of the company	2.86	1.44	(0.12)	(0.45)
	<b>2.86</b>	<b>1.44</b>	<b>(0.12)</b>	<b>(0.45)</b>
<b>Restated Total Comprehensive Income / (Loss) attributable to</b>				
Owners of the company	1,276.88	(126.61)	(143.72)	234.34
Non-controlling interests	-	(5.31)	(0.48)	23.28
	<b>1,276.88</b>	<b>(131.92)</b>	<b>(144.20)</b>	<b>257.62</b>
<b>Restated earnings / (Loss) per Equity Share (Face value of ₹ 1/- each)</b>				
- Basic (in ₹)	4.84	(0.48)	(0.56)	0.94
- Diluted (in ₹)	3.62	(0.48)	(0.56)	0.94

**Restated Consolidated Summary Cash Flows**

(in ₹ million)

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flow from operating activities</b>				
Profit / (Loss) before tax as per Restated Statement of Profit and Loss	1,748.05	(77.60)	(156.91)	558.19
<u>Adjustments for</u>				
Share of profit of associates	(9.87)	(12.19)	(11.75)	(6.50)
Depreciation and amortization expense	590.46	532.33	276.01	116.41
Loss/ (Profit) on sale of property, plant and equipment	0.14	(6.59)	(0.67)	(30.79)
Profit on sale of investment	(2.93)	(14.61)	(9.18)	(5.59)
Provision for doubtful debts	66.38	53.36	36.19	22.80
Provision for Corporate social responsibility expense	2.85	-	-	-
Income from government grant	(20.78)	(27.65)	(9.21)	-
Liabilities / Provisions no longer required written back	(3.69)	(41.40)	(18.19)	(3.03)
Provision for/ (write back of) warranty (net)	85.00	(24.98)	(37.31)	54.60
Net (gain)/loss on foreign exchange fluctuations (unrealised)	19.01	(29.19)	(6.45)	(25.20)
Finance costs	527.91	622.04	415.68	216.56
Unwinding of discount on retention money	16.49	17.09	14.47	-
Net gain on Financial assets measured at FVTPL (unrealised)	-	(9.94)	(6.27)	-
Dividend income	(1.07)	-	(4.27)	(21.43)
Interest income	(104.60)	(120.14)	(92.22)	(36.47)
Share based payment expense	15.73	12.50	2.47	-
Provision for impairment of investments	-	2.33	-	-
Bad debts written off	7.05	2.36	32.30	-
Rental income	(0.87)	(0.88)	(0.88)	(0.34)
Gain on early termination of lease	(0.25)	-	-	-
<b>Operating cash profit before working capital changes</b>	<b>2,935.01</b>	<b>876.84</b>	<b>423.81</b>	<b>839.21</b>
<u>Changes in working capital:</u>				
(Increase) in inventories	(1,667.07)	(4,159.27)	(1,542.87)	(53.86)
(Increase)/ Decrease in trade receivables	(1,996.63)	801.49	106.14	390.64
(Increase)/ Decrease in financial assets and other assets	(117.88)	(184.61)	407.37	547.77
Increase/ (Decrease) in trade payables	1,018.35	1,351.75	1,060.55	580.86
Increase/ (Decrease) in financial liabilities and other current liabilities	(482.86)	1,780.55	(285.42)	193.15
Increase/ (Decrease) in provisions	12.41	3.45	(0.91)	8.82
<b>Cash (used in) / generated from operations</b>	<b>(298.67)</b>	<b>470.20</b>	<b>168.67</b>	<b>2,506.59</b>
Income tax paid	(95.91)	(103.35)	(119.03)	(137.81)
<b>Net cash flow (used in) / generated from operating activities (A)</b>	<b>(394.58)</b>	<b>366.85</b>	<b>49.64</b>	<b>2,368.78</b>
<b>Cash flow from investing activities</b>				
Purchases of property, plant and equipment, including intangible assets, capital work-in-progress and capital advances	(3,544.14)	(2,760.42)	(1,987.30)	(3,244.83)
Proceeds from sale of property, plant and equipment	1.12	27.59	153.42	48.18
Bank deposits (placed)/matured, net	(665.60)	67.94	132.41	(393.06)
Movement in other bank balances	(434.85)	(493.21)	(146.16)	-
Dividend income	1.07	-	4.27	21.43
Loans (given)/ repaid, net	-	(18.56)	-	-
Investments in equity instruments	-	-	(0.53)	-
Interest received	67.86	142.98	83.17	34.00
Investment in mutual funds	(1,562.47)	(507.63)	(1,837.72)	-
Proceeds from sale of mutual funds	2,082.98	491.35	1,379.93	6.00
Proceeds from sale of investments in equity instruments	-	10.33	38.32	-
Rental income	0.87	0.88	0.88	0.34
<b>Net cash flow used in investing activities (B)</b>	<b>(4,053.16)</b>	<b>(3,038.75)</b>	<b>(2,179.31)</b>	<b>(3,527.94)</b>
<b>Cash flow from financing activities</b>				
Proceeds from issue of Equity Shares	-	-	15.68	14.50
Proceeds from issue of instruments entirely equity in nature	-	-	1,760.00	-
Share issue expenses	-	-	(61.26)	-
Proceeds from issue of Compulsory convertible debentures	-	318.50	-	-
Capital infused by Non controlling interest holders	-	42.50	93.63	-
Proceeds from Long-term borrowings	3,485.51	2,024.35	971.86	-
Repayment of Long-term borrowings	(314.79)	(82.24)	(116.66)	-
Proceeds from Short-term borrowings (net)	3,294.31	841.84	225.83	1,298.62
Interest paid	(491.29)	(625.23)	(418.35)	(219.21)
Proceeds from Government Grant	-	-	318.45	-
Payment of lease liabilities	(7.93)	(3.11)	(3.06)	(2.52)
<b>Net cash flow from financing activities (C)</b>	<b>5,965.81</b>	<b>2,516.61</b>	<b>2,786.12</b>	<b>1,091.39</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,518.07</b>	<b>(155.29)</b>	<b>656.45</b>	<b>(67.77)</b>
Cash and cash equivalents at the beginning of the year	645.70	800.99	144.54	212.31
<b>Cash and cash equivalents at the end of the period/year</b>	<b>2,163.77</b>	<b>645.70</b>	<b>800.99</b>	<b>144.54</b>

## GENERAL INFORMATION

Our Company was originally incorporated as a private limited company with the name “Premier Solar Systems Private Limited” under the provisions of the Companies Act, 1956, at Hyderabad, India, pursuant to a certificate of incorporation dated April 3, 1995, issued by the Registrar of Companies, Andhra Pradesh. Subsequently, pursuant to a Board resolution dated May 6, 2019 and a resolution passed at an extraordinary general meeting dated July 25, 2019, the name of our Company was changed to “Premier Energies Private Limited” and a fresh certificate of incorporation dated August 6, 2019 was issued by the RoC. Upon the conversion of our Company into a public limited company, pursuant to a Board resolution dated September 3, 2019 and a Shareholders’ resolution dated September 4, 2019, the name of our Company was changed to “Premier Energies Limited” and a fresh certificate of incorporation dated September 25, 2019 was issued by the RoC.

**Corporate Identity Number:** U40106TG1995PLC019909

**Company Registration Number:** 019909

### Registered Office of our Company

#### Premier Energies Limited

Plot No. 8/B/1 and 8/B/2  
E- City, Maheshwaram Mandal, Raviryala Village  
K.V. Rangareddy 501 359  
Telangana, India

For details of change in the registered office of our Company, see “*History and Certain Corporate Matters – Changes in the registered office of our Company*” on page 244.

### Corporate Office of our Company

8<sup>th</sup> Floor, Orbit Tower  
Hyderabad Knowledge City  
Raidurg (Panmaktha Village)  
Serilingampally Mandal  
Hyderabad 500 019  
Telangana, India

### Address of the Registrar of Companies

Our Company is registered with the RoC located at the following address:

#### Registrar of Companies, Telangana at Hyderabad

Registrar of Companies  
2<sup>nd</sup> Floor, Corporate Bhawan  
GSI Post, Nagole  
Bandlaguda  
Hyderabad 500 068  
Telangana, India

### Board of Directors of our Company

Details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus are set forth below:

Name and Designation	DIN	Address
<b>Surender Pal Singh Saluja</b> <i>Chairman and Whole-Time Director</i>	00664597	C-27, Vikrampuri Colony, Secunderabad, Hyderabad 500 009, Telangana, India
<b>Chiranjeev Singh Saluja</b> <i>Managing Director</i>	00664638	C-27, Vikrampuri Colony, Secunderabad, Hyderabad 500 009, Telangana, India

<b>Name and Designation</b>	<b>DIN</b>	<b>Address</b>
<b>Revathi Rohini Buragadda</b> <i>Executive Director</i>	08114119	Villa No. 194, Legend Chimes, On Gandipet Road, Kokapet, K.V. Rangareddy 500 075, Telangana, India
<b>Abhishek Loonker</b> <i>Non-Executive Director<sup>(1)</sup></i>	02069419	37 Narpat Nagar Pal Road, Jodhpur 342 001 Rajasthan, India
<b>Sridhar Narayan</b> <i>Non-Executive Director<sup>(1)</sup></i>	00137243	Flat 202, Tower D, Raheja Vivarea, Sane Guruji Marg, Jacob Circle, Mahalaxmi, Mumbai 400 011, Maharashtra, India
<b>Uday Sudhir Pilani</b> <i>Independent Director</i>	06572889	1D Sai Raj Residency, Plot 128 Jubilee Gardens, Near Harsh Toyota, Kondapur, Gachibowli, K.V. Rangareddy 500 032, Telangana, India
<b>Rohan Mehta</b> <i>Independent Director</i>	03035696	8-2-293/82/L/27-B, MLA Colony, Banjara Hills, Khairatabad, Hyderabad 500 034, Telangana, India
<b>Raghunathan Kannan</b> <i>Independent Director</i>	00523576	Plot No. 15 B 6 – 3 – 1099/1100, Somajiguda, Hyderabad 500 082, Telangana, India
<b>Jasbir Singh Gujral</b> <i>Independent Director</i>	00198825	House No. K-165, South City-1, Gurugram 122 001, Haryana, India
<b>Priyanka Gulati</b> <i>Independent Director</i>	07087707	A-9, Sarvodaya Enclave, South Delhi 110 017, Delhi, India

<sup>(1)</sup> *Nominee of South Asia Growth Fund II Holdings LLC and South Asia EBT Trust.*

For further details and brief profiles of our Directors, see “**Our Management**” on page 253.

### **Filing of the Offer Documents**

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with Regulation 25(8) of the SEBI ICDR Regulations and the SEBI ICDR Master Circular and will also be filed with the SEBI at the following address:

#### **Securities and Exchange Board of India**

Corporation Finance Department, Division of Issues and Listing  
SEBI Bhavan, Plot No. C4 A, ‘G’ Block  
Bandra Kurla Complex Bandra (E)  
Mumbai 400 051  
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed with the RoC in accordance with Section 32 of the Companies Act, and a copy of the Prospectus shall be filed with the RoC as required under Section 26 of the Companies Act and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Company Secretary and Compliance Officer**

Ravella Sreenivasa Rao is the Company Secretary and Compliance Officer of our Company. His contact details are set forth below:

#### **Ravella Sreenivasa Rao**

8<sup>th</sup> Floor, Orbit Tower  
Hyderabad Knowledge City  
Raidurg (Panmaktha Village)  
Serilingampally Mandal  
Hyderabad 500 019  
Telangana, India  
**Tel:** + 91 90 3099 4222  
**E-mail:** [investors@premierenergies.com](mailto:investors@premierenergies.com)

### **Investor Grievances**

**Bidders may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including 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, investors may also write to the BRLMs.**

All Offer-related grievances, other than those of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

### Book Running Lead Managers

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#### Kotak Mahindra Capital Company Limited

1<sup>st</sup> Floor, 27 BKC, Plot No. C-27

'G' Block, Bandra Kurla Complex

Bandra (East), Mumbai 400 051

Maharashtra, India

**Tel:** + 91 22 4336 0000

**E-mail:** premierenergies.ipo@kotak.com

**Investor Grievance ID:** kmccredressal@kotak.com

**Contact Person:** Ganesh Rane

**Website:** <https://investmentbank.kotak.com/>

**SEBI Registration Number:** INM000008704

#### J.P. Morgan India Private Limited

J.P. Morgan Tower, Off. C.S.T. Road Kalina

Santacruz (East), Mumbai 400 098

Maharashtra, India

**Tel:** + 91 22 6157 3000

**E-mail:** PREMIER\_IPO@jpmorgan.com

**Investor**

**Grievance**

**ID:**

investorsmb.jpmpil@jpmorgan.com

**Contact Person:** Aanchal Mittal / Akhand Dua

**Website:** [www.jpmpil.com](http://www.jpmpil.com)

**SEBI Registration Number:** INM000002970

#### ICICI Securities Limited

ICICI Venture House, Appasaheb Marathe Marg

Prabhadevi, Mumbai 400 025

Maharashtra, India

**Tel:** + 91 22 6807 7100

**E-mail:** premierenergiesipo@icicisecurities.com

**Investor Grievance ID:** customercare@icicisecurities.com

**Contact Person:** Sumit Singh/ Ashik Joisar

**Website:** [www.icicisecurities.com](http://www.icicisecurities.com)

**SEBI Registration Number:** INM000011179

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### Statement of inter-se allocation of responsibilities amongst the BRLMs

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

S. No.	Activity	Responsibility	Coordination
1.	Due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	BRLMs	Kotak
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	BRLMs	Kotak
3.	Drafting and approval of all statutory advertisements	BRLMs	Kotak
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	JP Morgan
5.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Banks, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	ICICI Securities
6.	Preparation of road show presentation and frequently asked questions	BRLMs	JP Morgan
7.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> :	BRLMs	JP Morgan

S. No.	Activity	Responsibility	Coordination
	<ul style="list-style-type: none"> <li>Marketing strategy;</li> <li>Finalizing the list and division of investors for one-to-one meetings; and</li> <li>Finalizing international road show and investor meeting schedule</li> </ul>		
8.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>Marketing strategy;</li> <li>Finalizing the list and division of investors for one-to-one meetings; and</li> <li>Finalizing road show and investor meeting schedule</li> </ul>	BRLMs	Kotak
9.	Non-Institutional and retail marketing of the Issue, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>Finalizing media, marketing and public relations strategy; and</li> <li>Finalizing centres for holding conferences for brokers, etc.</li> <li>Formulating marketing strategies, preparation of publicity budget;</li> <li>Finalizing collection centres;</li> <li>Follow-up on distribution of publicity and issue material including form, RHP, Prospectus and deciding on the quantum of the issue material</li> </ul>	BRLMs	ICICI Securities
10.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit (if applicable), anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	JP Morgan
11.	Managing the book and finalization of pricing in consultation with the Company	BRLMs	JP Morgan
12.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI, release of 1% security deposit (if applicable) post closure of the Offer	BRLMs	ICICI Securities

## Syndicate Members

[•]

## Legal Counsel to the Company as to Indian Law

### Shardul Amarchand Mangaldas & Co

Amarchand Towers

216, Okhla Industrial Estate Phase III

New Delhi 110 020

Delhi, India

Tel: +91 11 4159 0700

## Registrar to the Offer

### KFin Technologies Limited

Selenium, Tower B, Plot No. 31 and 32

Financial District, Nanakramguda, Serilingampally

Hyderabad 500 032

Telangana, India

Tel: +91 40 6716 2222

E-mail: pel.ipo@kfintech.com

Website: www.kfintech.com

Investor grievance ID: einward.ris@kfintech.com

Contact Person: M. Murali Krishna

SEBI registration number: INR000000221

## Bankers to the Offer

### *Escrow Collection Bank*

[•]

### *Public Offer Account Bank*

[•]

### *Refund Bank*

[•]

### *Sponsor Bank*

[•]

## Statutory Auditor to our Company

### **Deloitte Haskins & Sells, Chartered Accountants**

KRB Towers, Plot No. 1 to 4 & 4A

1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Floor

Jubilee Enclave, Madhapur

Hyderabad 500 081

Telangana, India

**Email:** ajayjhawar@deloitte.com

**Tel:** + 91 40 7125 4015

**Peer Review Certificate No.:** 014126

**Firm Registration No.:** 008072S

## Changes in auditors

There has been no change in the statutory auditors of our Company during the last three years, except as mentioned below.

<b>Particulars of statutory auditors</b>	<b>Date of the change</b>	<b>Reason for change</b>
<b>Deloitte Haskins &amp; Sells, Chartered Accountants</b> KRB Towers, Plot No. 1 to 4 & 4A 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> Floor, Jubilee Enclave, Madhapur, Hyderabad 500 081 Telangana, India <b>Email:</b> ajayjhawar@deloitte.com <b>Tel:</b> + 91 40 7125 4015 <b>Peer Review Certificate No.:</b> 014126 <b>Firm Registration No.:</b> 008072S	December 21, 2021	Appointment as joint statutory auditors of our Company
<b>Sharad &amp; Associates</b> 6-3-1099/1/6, 1 <sup>st</sup> Floor, Hotel Katriya Lane, Somajiguda, Hyderabad 500 082, Telangana, India <b>Tel:</b> + 040 2339 6583; + 91 98 4902 1401 <b>E-mail:</b> sharad@sharadassociates.com <b>Firm registration number:</b> 006377S <b>Peer review number:</b> 016396	February 8, 2022	Resignation as statutory auditor of our Company

## Bankers to our Company

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### HDFC Bank

#6-3-246 & 6-3-244/A/7<sup>th</sup> Floor/Roxanna Palladium  
Road No 1, Banjara Hills  
Hyderabad 500 034  
Telangana, India  
**Tel:** + 91 742 846 1871  
**Email:** kapil.rawat@hdfcbank.com  
**Website:** <https://www.hdfcbank.com>  
**Contact Person:** Kapil Rawat

### ICICI Bank

ICICI Bank, Plot No 12  
Financial District, Nanakramguda  
Gachibowli, Hyderabad 500 032  
Telangana, India  
**Tel:** + 91 630 995 5950  
**Email:** vijaya.manthena@icicibank.com  
**Website:** <https://www.icicibank.com>  
**Contact Person:** Vijay Manthena

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## Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](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 Branches of the SCSBs with which an ASBA Bidder (other than UPI Bidders 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.

## Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

In accordance with 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 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> for SCSBs and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43> for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

## Syndicate Self-Certified Syndicate Banks Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted under the ASBA process 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 ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35)) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

## Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. 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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

## Registrar and Share Transfer Agents

The list of the RTAs 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?](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?) and <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures> 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?](http://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.

### **Grading of the Offer**

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

### **Monitoring Agency**

Our Company will appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations, for monitoring of the utilisation of the proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the proceeds from the Fresh Issue, please see “*Objects of the Offer*” on page 119.

### **Expert**

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

Our Company has received written consent dated April 19, 2024 from Deloitte Haskins & Sells, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, 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 Auditor, and in respect of their (i) examination report dated March 14, 2024 relating to the Restated Consolidated Financial Information and (ii) the statement of special tax benefits dated April 19, 2024 included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated April 19, 2024 from Sharad & Associates, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as (i) the previous statutory auditor of our Company, and (ii) the statutory auditor of PEGEPL and in respect of the certificate on source of funds and deployment of funds on the Project provided by them, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated April 19, 2024 from Manian and Rao, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the various certifications issued by them in their capacity as an independent chartered accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated April 19, 2024, from the independent chartered engineer, namely RBSA Advisors LLP, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated April 19, 2024.

Our Company has received written consent dated April 18, 2024, from RCT Solutions GmbH to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in relation to the RCT Report dated April 18, 2024.

Our Company has received written consent dated April 18, 2024, from PS Rao & Associates, Company Secretaries, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent that and in their capacity as practising company secretary, in relation to their certificate dated April 18, 2024. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### **Appraising Entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

### **Credit Rating**

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

## **Debenture Trustees**

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

## **Green Shoe Option**

No green shoe option is contemplated under the Offer.

## **Book Building Process**

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidder on the basis of this Draft Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band which will be decided by our Company, in consultation with the BRLMs and minimum Bid lot which will be decided by our Company, in consultation with the BRLMs and advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Telugu daily newspaper, Telugu being the regional language of Telangana where our Registered 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 website. The Offer Price shall be determined by our Company, in consultation with the BRLMs after the Bid/Offer Closing Date.

**All Investors (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs, or in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

**In terms of the SEBI ICDR Regulations, 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 other Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis.** For further details on the Book Building Process and the method and process of Bidding, see “*Terms of the Offer*”, “*Offer Structure*” and “*Offer Procedure*” on pages 425, 432 and 437, respectively.

**The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.**

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For an illustration of the Book Building Process, price discovery process and allocation, see “*Offer Procedure*” on page 437.

## **Underwriting Agreement**

After the determination of the Offer Price but prior to filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. 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 Underwriters have indicated their intention to underwrite the following number of Equity Shares:

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

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

The abovementioned amounts are provided for indicative purposes only and will be finalised after the pricing and actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations. Based on representations made by the Underwriters, our Board of Directors are of the opinion that 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 approved the execution of the Underwriting Agreement by our Company.

Allocation amongst the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors procured by them in accordance with the Underwriting Agreement.

## CAPITAL STRUCTURE

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

<i>(in ₹, except share data)</i>			
S. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	<b>AUTHORISED SHARE CAPITAL<sup>(1)</sup></b>		
	550,000,000 Equity Shares of face value of ₹1 each	550,000,000	-
B)	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER AS ON DATE OF THIS DRAFT RED HERRING PROSPECTUS**</b>		
	334,065,168 Equity Shares of face value of ₹1 each	334,065,168	-
	17,600,000 CCDs of face value of ₹100 each	1,760,000,000	-
C)	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER BUT POST CONVERSION OF COMPULSARILY CONVERTIBLE DEBENTURES**</b>		
	422,065,168 Equity Shares of face value of ₹1 each	422,065,168	-
C)	<b>PRESENT OFFER<sup>(2)(3)</sup></b>		
	Offer of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million <sup>(2)</sup>	[●]	[●]
	<i>Of which:</i>		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹15,000 million <sup>(2)^</sup>	[●]	[●]
	Offer for Sale of up to 28,200,000 Equity Shares by the Selling Shareholders aggregating up to ₹[●] million <sup>(3)</sup>	[●]	[●]
	<i>The Offer Includes:</i>		
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹[●] million <sup>(4)</sup>	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
E)	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER*</b>		
	[●] Equity Shares of face value of ₹1 each	[●]	
F)	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer <i>(as on date of this Draft Red Herring Prospectus)</i>		345,122,592.00
	After the Offer*		[●]

\*To be updated upon finalisation of the Offer Price.

\*\* As on the date of this Draft Red Herring Prospectus, 17,600,000 CCDs are outstanding which shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

<sup>(1)</sup> For details in relation to the changes in the authorised share capital of our Company in the last 10 years preceding the date of this Draft Red Herring Prospectus, see “**History and Certain Corporate Matters – Amendments to our Memorandum of Association**” on page 245.

<sup>(2)</sup> Our Board has authorised the Offer, pursuant to their resolution dated March 12, 2024. Our Shareholders have authorised the Fresh Issue pursuant to special resolution dated March 12, 2024.

<sup>(3)</sup> Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 18, 2024. The Selling Shareholders confirm that the Offered Shares are eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations and where such Equity Shares have resulted or shall result from conversion of any CCDs, such CCDs and the Equity Shares resulting from conversion thereof shall have been held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus in terms of Regulation 8 of the SEBI ICDR Regulations. The Selling Shareholders have confirmed and authorized their participation in the Offer for Sale. For details on authorisation of the Selling Shareholders in relation to their respective portion of the Offered Shares, see “**Other Regulatory and Statutory Disclosures**” on page 411.

<sup>(4)</sup> In the event of 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 (net of Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any). 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 undersubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of undersubscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

<sup>^</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.

### Notes to Capital Structure

#### 1. Equity share capital history of our Company

(a) The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Nature of allotment	Names of allottees	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares
April 3, 1995	Initial subscription to the Memorandum of Association	10 equity shares each were allotted each to Khan Mohamed Munawer Khan and Surender Pal Singh Saluja	20	100	100.00	Cash	20
October 11, 1996	Further Issue	160 equity shares were allotted to Surender Pal Singh Saluja, 490 equity shares were allotted to Khan Mohamed Munawer Khan, 1,900 equity shares were allotted to B Narasimha Reddy, 200 equity shares were allotted to Feroz Nawaz Khan, 240 equity shares were allotted to Shanawaz Begam, 550 equity shares were allotted to Chiranjeev Singh Saluja, 490 equity shares were allotted to B Jayaprada, 600 equity shares were allotted to K.K. Bhargava, 100 equity shares were allotted to Sajeeda Munawer and 250 equity shares were allotted to B. Raja Reddy	4,980	100	100.00	Cash	5,000
December 23, 1996	Further Issue	1,500 equity shares were allotted to Premier Deep Well Hand Pumps Private Limited, 220 equity shares were allotted to B. Raja Reddy, 250 equity shares were allotted to Sunitha Bhargava and 400 equity shares were allotted to Sajeeda Munawer	2,370	100	100.00	Cash	7,370
June 30, 1997 <sup>(1)</sup>	Further Issue	610 equity shares were allotted to Deena Joseph, 750 equity shares were allotted to GS Monga, 750 equity shares were allotted to Charandeep Singh Saluja, 100 equity shares were allotted to Jasveen Kaur, 170 equity shares were allotted to Jayan Mathew, 150 equity shares were allotted to TJ Antony, 150 equity shares were allotted to Joseph Varky, 250 equity shares were allotted to Anitha Kaur, 180 equity shares were allotted to Valsamma Antony and 120 equity shares were allotted to Saly Aelias	3,230	100	100.00	Cash	10,600
October 27, 1997	Further Issue	190 equity shares were allotted to Surender Pal Singh Saluja and 1,500 equity shares were allotted to Chiranjeev Singh Saluja	1,690	100	100.00	Cash	12,290

Date of allotment	Nature of allotment	Names of allottees	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares
November 27, 1998	Further Issue	3,595 equity shares were allotted to Surender Pal Singh Saluja and 10,000 equity shares were allotted to S.C. Wadhwan	13,595	100	100.00	Cash	25,885
October 31, 2002	Further Issue	3,550 equity shares were allotted to Chiranjeev Singh Saluja	3,550	100	100.00	Cash	29,435
January 23, 2003	Further Issue	2,600 equity shares were allotted to Manjit Kaur Saluja, 600 equity shares were allotted to Surender Pal Singh Saluja, 5,000 equity shares were allotted to Chiranjeev Singh Saluja, 1,080 equity shares were allotted to Deena Joseph and 1,250 equity shares were allotted to Dr. Amrita Saluja	10,530	100	100.00	Cash	39,965
January 30, 2003	Further Issue	2,000 equity shares were allotted to Chiranjeev Singh Saluja and 3,000 equity shares were allotted to Kuldeep Singh	5,000	100	100.00	Cash	44,965
March 18, 2003	Further Issue	4,000 equity shares were allotted to Kesar Singh Saluja	4,000	100	100.00	Cash	48,965
March 30, 2005 <sup>(2)</sup>	Further Issue	6,000 equity shares were allotted to Surender Pal Singh Saluja and 4,000 equity shares each were allotted to Chiranjeev Singh Saluja and Bipindeep Singh Saluja	14,000	100	100.00	Cash	62,965
October 5, 2006	Further Issue	15,930 equity shares were allotted to Surender Pal Singh Saluja and 5,650 equity shares were allotted to Chiranjeev Singh Saluja	21,580	100	100.00	Cash	84,545
November 23, 2006	Further Issue	12,500 equity shares were allotted to Sunali Saluja and 2,000 equity shares were allotted to Chiranjeev Singh Saluja	14,500	100	100.00	Cash	99,045
March 28, 2007	Further Issue	4,000 equity shares were allotted to Sunali Saluja and 21,000 equity shares were allotted to Chiranjeev Singh Saluja	25,000	100	100.00	Cash	124,045
November 23, 2007	Further Issue	23,900 equity shares were allotted to Chiranjeev Singh Saluja	23,900	100	100.00	Cash	147,945
Pursuant to resolutions passed by our Board and the Shareholders dated February 18, 2008 and March 13, 2008, respectively, the authorized share capital of our Company was sub-divided from 500,000 equity shares of face value of ₹100 each to 5,000,000 equity shares of face value of ₹ 10 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 147,945 equity shares of face value of ₹ 100 per equity share to 1,479,450 equity shares of face value of ₹10 per equity share.							
March 31, 2008	Bonus issue as on the record date i.e. March 20, 2008 in the ratio of one equity share for	299,050 equity shares were allotted to Surender Pal Singh Saluja, 731,500 equity shares were allotted to Chiranjeev Singh Saluja, 49,900 equity shares were allotted to Manjeet Kaur Saluja, 53,900 equity shares	1,479,450	10	N.A.	N.A.	2,958,900

Date of allotment	Nature of allotment	Names of allottees	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares
	every one equity share held	were allotted to Kesar Singh Saluja, 165,000 equity shares were allotted to Sunali Saluja, 14,400 equity shares were allotted to Deena Joseph, 1,500 equity shares were allotted to Joseph Varkey, 1,000 equity shares were allotted to Jasveen Kaur, 1,700 equity shares were allotted to Jayan Mathew, 2,500 equity shares were allotted to Anitha Kaur, 7,500 equity shares were allotted to Charandeep Singh Saluja, 1,500 equity shares were allotted to TJ Antony, 7,500 equity shares were allotted to G.S. Monga, 100,000 equity shares were allotted to S.C. Wadhawan, 12,500 equity shares were allotted to Amrutha Saluja and 30,000 equity shares were allotted to Kuldeep Singh					
March 31, 2008	Further issue	150,000 equity shares were allotted to Surender Pal Singh Saluja and 150,500 equity shares were allotted to Chiranjeev Singh Saluja	300,500	10	10.00	Cash	3,259,400
March 22, 2011	Further issue	220,000 equity shares were allotted to Surender Pal Singh Saluja and 330,000 equity shares were allotted to Chiranjeev Singh Saluja	550,000	10	10.00	Cash	3,809,400
March 1, 2014	Further issue	703,100 equity shares were allotted to Surender Pal Singh Saluja and 487,500 equity shares were allotted to Chiranjeev Singh Saluja	1,190,600	10	10.00	Cash	5,000,000
March 31, 2014	Further issue	59,400 equity shares were allotted to Surender Pal Singh Saluja	59,400	10	10.00	Cash	5,059,400
December 12, 2014 <sup>(3)</sup>	Private Placement	44,826 equity shares were allotted to M/s Harwood Limited	44,826	10	250.00	Cash	5,104,226
February 2, 2015 <sup>(3)</sup>	Private Placement	24,577 equity shares were allotted to M/s Inter Solar (FZC)	24,577	10	250.00	Cash	5,128,803
May 8, 2015 <sup>(4)</sup>	Private Placement	12,000 equity shares were allotted to M/s New Era Enviro Ventures (Adilabad) Private Limited and 20,000 equity shares were allotted to Surender Singh Makhija	32,000	10	250.00	Cash	5,160,803
July 20, 2015 <sup>(3)</sup>	Private Placement	16,486 equity shares were allotted to M/s Inter Solar (FZC)	16,486	10	250.00	Cash	5,177,289
January 7, 2016 <sup>(3)</sup>	Private Placement	20,183 equity shares were allotted to Inter Solar (FZC)	20,183	10	310.00	Cash	5,197,472

Pursuant to resolutions passed by our Board and the Shareholders dated August 13, 2016 and September 8, 2016, respectively, the authorized share capital of our Company was sub-divided from 6,000,000 equity shares of face value of ₹10 each to 60,000,000 Equity Shares of face

Date of allotment	Nature of allotment	Names of allottees	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares
value of ₹1 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 5,197,472 equity shares of face value of ₹10 per equity share to 51,974,720 Equity Shares of face value of ₹1 per equity share.							
December 2, 2016	Rights issue	8,000,000 Equity Shares were allotted to Chiranjeev Singh Saluja	8,000,000	1	1.25	Cash	59,974,720
March 30, 2018 <sup>(3)</sup>	Bonus issue as on the record date i.e. March 28, 2018 in the ratio of three Equity Shares for every one Equity Share held	54,768,000 Equity Shares were allotted to Surender Pal Singh Saluja, 107,970,000 Equity Shares were allotted to Chiranjeev Singh Saluja, 9,900,000 Equity Shares were allotted to Sunali Saluja, 2,994,000 Equity Shares were allotted to Manjeet Kaur Saluja, 1,837,380 Equity Shares were allotted to Inter Solar FZC, 1,344,780 Equity Shares were allotted to Harwood Limited, 1,050,000 Equity Shares were allotted to Charandeep Singh Saluja and 60,000 Equity Shares were allotted to Jasveen Kaur	179,924,160	1	N.A.	N.A.	239,898,880
November 15, 2018	Rights issue	2,100,000 Equity Shares were allotted to Niha Technologies Private Limited (formerly known as Eclat Health Solutions Private Limited)	2,100,000	1	15.00	Cash	241,998,880
June 17, 2019	Rights issue	500,000 Equity Shares were allotted to Surender Pal Singh Saluja and 900,000 Equity Shares were allotted to Chiranjeev Singh Saluja	1,400,000	1	15.00	Cash	243,398,880
July 18, 2019	Rights issue	500,000 Equity Shares were allotted to Chiranjeev Singh Saluja	500,000	1	15.00	Cash	243,898,880
January 4, 2020	Private Placement	2,250,000 Equity Shares were allotted to Niyathi Naidu Madasu and 135,000 Equity Shares were allotted to Chiranjeev Singh Saluja	2,385,000	1	15.00	Cash	246,283,880
March 17, 2020	Private Placement	875,000 Equity Shares were allotted to Jasveen Kaur and 375,000 Equity Shares were allotted to Chiranjeev Singh Saluja	1,250,000	1	20.00	Cash	247,533,880
March 18, 2020	Private Placement	1,250,000 Equity Shares were allotted to Jasveen Kaur	1,250,000	1	20.00	Cash	248,783,880
August 25, 2020	Private Placement	500,000 Equity Shares were allotted to Vignesh Nallapareddy	500,000	1	20.00	Cash	249,283,880
September 4, 2020	Private Placement	225,000 Equity Shares were allotted to Chiranjeev Singh Saluja	225,000	1	20.00	Cash	249,508,880
September 16, 2021	Private Placement	284,000 Equity Shares were allotted to Niha Technologies Private Limited	284,000	1	20.00	Cash	249,792,880



Date of allotment	Nature of allotment	Names of allottees	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares
September 17, 2021	Allotment pursuant to the PEL ESOP Scheme	3,862,050 Equity Shares were allotted to PEL ESOP Trust	3,862,050	1	20.00	Cash	253,654,930
September 18, 2021 <sup>(5)</sup>	Private Placement	7,677,120 Equity Shares were allotted to Rama Moola	7,677,120	1	20.00	Other than cash	261,332,050
September 28, 2021 <sup>(6)</sup>	Private Placement	495,561 Equity Shares were allotted to South Asia Growth Fund II Holdings LLC and 3,192 Equity Shares were allotted to South Asia EBT Trust	498,753	1	20.05	Cash	261,830,803
November 23, 2021	Allotment pursuant to the PEL ESOP Scheme	1,627,531 Equity Shares were allotted to PEL ESOP Trust	1,627,531	1	20.05	Cash	263,458,334
April 10, 2024	Bonus issue as on the record date i.e. April 10, 2024 in the ratio of 0.268 Equity Shares for every one Equity Share held	132,810 Equity Shares were allotted to South Asia Growth Fund II Holdings LLC, 855 Equity Shares were allotted to Orbis Trusteeship Services Private Limited (Trust of South Asia EBT Trust), 57,843,062 Equity Shares were allotted to Chiranjeev Singh Saluja, 3,482,440 Equity Shares were allotted to Surender Pal Singh Saluja, 1,069,990 Equity Shares were allotted to Vivana Saluja, 1,069,856 Equity Shares were allotted to Manjeet Kaur Saluja, 590,940 Equity Shares were allotted to Jasveen Kaur, 375,200 Equity Shares were allotted to Charandeep Singh Saluja, 603,000 Equity Shares were allotted to Niyathi Naidu Madasu, 134,000 Equity Shares were allotted to Vignesh Nallapareddy, 3,194,560 Equity Shares were allotted to Sudhir Moola, 1,471,209 Equity Shares were allotted to PEL ESOP Trust and 638,912 Equity Shares were allotted to Niha Technologies Private Limited	70,606,834	1	N.A.	N.A.	334,065,168

<sup>(1)</sup> The form 2 and challan for this allotment of equity shares could not be traced as the relevant information was not available in the records maintained by our Company. Accordingly, we have relied on the other corporate records maintained by us and the search report dated April 18, 2024 prepared by PS Rao & Associates, Company Secretaries. For further details see "Risk Factors – We are unable to trace some of our historical corporate records including in relation to certain allotments, changes in our registered office and appointment of directors. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation." on page 64.

<sup>(2)</sup> The challan for the form 2 for this allotment of equity shares could not be traced as the relevant information was not available in the records maintained by our Company. Accordingly, we have relied on the other corporate records maintained by us and the search report dated April 18, 2024 prepared by PS Rao & Associates, Company Secretaries. For further details see "Risk Factors – We are unable to trace some of our historical corporate records including in relation to certain allotments, changes in our registered office and appointment of directors. We cannot assure you that no legal

*proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation.” on page 64.*

- (3) *The allotments of equity shares were not in compliance with certain provisions of the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 and such matters were compounded. For further details, see “Risk Factors – In the past, we failed to comply with certain provisions of the Foreign Exchange Management Act, 1999 and also with the Companies (Prospectus and Allotment of Securities) Rule, 2014, and had to compound such non-compliances. We cannot assure you that there will be no such non-compliances in the future and that our Company, Subsidiaries, our Directors or the directors of our Subsidiaries will not be subject to any penalty or any additional payments.” on page 54.*
- (4) *Our Company submitted a letter dated June 16, 2015 to the RoC and re-filed a form PAS-3 in relation to the allotment dated May 8, 2015 to rectify the error in the form PAS-3 filed earlier i.e. non-inclusion of the 20,000 equity shares issued to Surender Singh Makhija in the issued, subscribed, and paid-up capital of our Company.*
- (5) *7,677,120 Equity Shares were allotted by our Company to Rama Moola in the ratio of 87.04 Equity Shares for every one equity share of PSPPL as consideration for the purchase of 88,200 equity shares of face value of ₹1 of PSPPL from Rama Moola pursuant to the share purchase agreement dated September 17, 2021 entered into amongst PSPPL, Rama Moola and our Company.*
- (6) *Allotment of 495,561 Equity Shares to South Asia Growth Fund II Holdings LLC and 3,192 Equity Shares to South Asia EBT Trust pursuant to the share subscription agreement dated September 10, 2021 executed amongst the Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja.*

## 2. Preference share capital history of our Company

Our Company does not have any outstanding preference shares, as on the date of this Draft Red Herring Prospectus.

## 3. Compulsorily Convertible Debentures of our Company

The following table sets forth the details of Compulsorily Convertible Debentures of our Company:

Date of allotment	Nature of allotment	Names of allottees	Number of CCDs allotted	Face value per CCD (₹)	Issue price per CCD (₹)	Nature of consideration
September 28, 2021	Preferential allotment	17,487,360 compulsorily convertible debentures (“CCDs”) were allotted to South Asia Growth Fund II Holdings LLC and 112,640 CCDs were allotted to South Asia EBT Trust	17,600,000*	100	100	Cash

\* As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

## 4. Shares issued for consideration other than cash and by way of bonus issuance

Except as disclosed below, our Company has not issued any equity shares for consideration other than cash and by way of bonus issuance since its incorporation.

Date of allotment	Reason/Nature of allotment	Names of allottees	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Benefits accrued to our Company
September 18, 2021	Private Placement	7,677,120 Equity Shares were allotted to Rama Moola	7,677,120	1	20	Issued by our Company as consideration for the purchase of 88,200 equity shares of PSPPL from Rama Moola in the ratio of 87.04 Equity Shares for every one equity share of PSSPL of face value of ₹1 each in order to acquire 100% stake in PSPPL.
March 31, 2008	Bonus issue as on the record date i.e. March 20, 2008 in the ratio of one equity share for every one	299,050 equity shares were allotted to Surender Pal Singh Saluja, 731,500 equity shares were allotted to Chiranjeev Singh Saluja, 49,900 equity shares were	1,479,450	10	N.A.	-

Date of allotment	Reason/Nature of allotment	Names of allottees	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Benefits accrued to our Company
	equity share held	allotted to Manjeet Kaur Saluja, 53,900 equity shares were allotted to Kesar Singh Saluja, 165,000 equity shares were allotted to Sunali Saluja, 14,400 equity shares were allotted to Deena Joseph, 1,500 equity shares were allotted to Joseph Varkey, 1,000 equity shares were allotted to Jasveen Kaur, 1,700 equity shares were allotted to Jayan Mathew, 2,500 equity shares were allotted to Anitha Kaur, 7,500 equity shares were allotted to Charandeep Singh Saluja, 1,500 equity shares were allotted to TJ Antony, 7,500 equity shares were allotted to G.S. Monga, 100,000 equity shares were allotted to S.C. Wadhawan, 12,500 equity shares were allotted to Amrutha Saluja and 30,000 equity shares were allotted to Kuldeep Singh				
March 30, 2018	Bonus issue as on the record date i.e. March 28, 2018, in the ratio of three Equity Shares for every one Equity Share held	54,768,000 Equity Shares were allotted to Surender Pal Singh Saluja, 107,970,000 Equity Shares were allotted to Chiranjeev Singh Saluja, 9,900,000 Equity Shares were allotted to Sunali Saluja, 2,994,000 Equity Shares were allotted to Manjeet Kaur Saluja, 1,837,380 Equity Shares were allotted to Inter Solar FZC, 1,344,780 Equity Shares were allotted to Harwood Limited, 1,050,000 Equity Shares were allotted to Dr. Charandeep Singh Saluja and 60,000	179,924,160	1	N.A.	-

Date of allotment	Reason/Nature of allotment	Names of allottees	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Benefits accrued to our Company
		Equity Shares were allotted to Jasveen Kaur				
April 10, 2024	Bonus issue as on the record date i.e. April 10, 2024 in the ratio of 0.268 Equity Shares for every one Equity Share held	132,810 Equity Shares were allotted to South Asia Growth Fund II Holdings LLC, 855 Equity Shares were allotted to Orbis Trusteeship Services Private Limited (Trust of South Asia EBT Trust), 57,843,062 Equity Shares were allotted to Chiranjeev Singh Saluja, 3,482,440 Equity Shares were allotted to Surender Pal Singh Saluja, 1,069,990 Equity Shares were allotted to Vivana Saluja, 1,069,856 Equity Shares were allotted to Manjeet Kaur Saluja, 590,940 Equity Shares were allotted to Jasveen Kaur, 375,200 Equity Shares were allotted to Charandeep Singh Saluja, 603,000 Equity Shares were allotted to Niyathi Naidu Madasu, 134,000 Equity Shares were allotted to Vignesh Nallapareddy, 3,194,560 Equity Shares were allotted to Sudhir Moola, 1,471,209 Equity Shares were allotted to PEL ESOP Trust and 638,912 Equity Shares were allotted to Niha Technologies Private Limited	70,606,834	1	N.A.	-

#### 5. Shares issued out of revaluation reserves

Our Company has not issued any shares out of revaluation reserves since its incorporation.

#### 6. Allotment of shares pursuant to schemes of arrangement

As on date of this Draft Red Herring Prospectus, our Company has not issued or allotted any equity or preference shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013, as applicable.

#### 7. Issue of equity shares under employee stock option schemes

Except as disclosed under “– *Notes to Capital Structure – Equity share capital history of our Company*” and “– *Employee stock option scheme*” on pages 95 and 114, respectively, our Company has not issued any equity shares under any employee stock option scheme.

#### 8. Issue of shares at a price lower than the Offer Price in the last year

Other than the issuance of 70,606,834 Equity Shares pursuant to the bonus issue on April 10, 2024, our Company has not issued any equity shares or preference shares during a period of one year preceding the date of this Draft Red Herring Prospectus. For further details, see “– *Notes to Capital Structure – Equity share capital history of our Company*” above.

#### 9. History of the share capital held by the Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold, in the aggregate, 290,151,502 Equity Shares, which constitute 68.75% of the issued, subscribed and paid-up Equity Share capital of our Company on a fully diluted basis. All the Equity Shares held by our Promoters are in dematerialised form. The details regarding our Promoters’ shareholding are set forth below.

##### a) *Build-up of Promoters’ shareholding in our Company*

Set forth below is the build-up of our Promoters’ shareholding since the incorporation of our Company.

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	% of the pre-Offer equity share capital (%)	% of the post-Offer equity share capital (%)
<b><i>Surender Pal Singh Saluja</i></b>							
April 3, 1995	Initial subscription to the Memorandum of Association	10	100	100	Cash	Negligible	[●]
October 11, 1996	Further Issue	160	100	100	Cash	Negligible	[●]
October 27, 1997	Further Issue	190	100	100	Cash	0.01	[●]
November 27, 1998	Further Issue	3,595	100	100	Cash	0.11	[●]
November 3, 2001	Transfer from Khan Mohamed Munawer Khan	500	100	100	Cash	0.01	[●]
	Transfer from Feroz Nawaz Khan	200	100	100	Cash	0.01	[●]
	Transfer from Sajeeda Munawer	500	100	100	Cash	0.01	[●]
	Transfer from B Raja Reddy	470	100	100	Cash	0.01	[●]
	Transfer from Premier Deepwell Handpumps Private Limited	1,500	100	100	Cash	0.04	[●]
	Transfer from Deena Joseph	250	100	100	Cash	0.01	[●]
January 23, 2003	Further Issue	600	100	100	Cash	0.02	[●]

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	% of the pre-Offer equity share capital (%)	% of the post-Offer equity share capital (%)
March 2005	30, Further Issue	6,000	100	100	Cash	0.18	[●]
October 2006	5, Further Issue	15,930	100	100	Cash	0.48	[●]
Pursuant to resolutions passed by our Board and the Shareholders dated February 18, 2008 and March 13, 2008, respectively, the authorized share capital of our Company was sub-divided from 500,000 equity shares of face value of ₹100 each to 5,000,000 equity shares of face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of Surrender Pal Singh Saluja was sub-divided from 29,905 equity shares of face value of ₹100 per equity share to 299,050 equity shares of face value of ₹10 per equity share.							
March 2008	31, Bonus issue as on the record date i.e. March 20, 2008 in the ratio of one equity share for every one equity share held	299,050	10	N.A.	N.A.	0.90	[●]
March 2008	31, Further issue	150,000	10	10	Cash	0.45	[●]
March 2011	22, Further issue	220,000	10	10	Cash	0.66	[●]
March 2014	1, Private Placement	703,100	10	10	Cash	2.10	[●]
March 2014	31, Private Placement	59,400	10	10	Cash	0.18	[●]
March 2015	16, Transfer by way of gift from Kuldip Singh	60,000	10	Nil	N.A.	0.18	[●]
	Transfer by way of gift from Amutha Saluja	25,000	10	Nil	N.A.	0.07	[●]
Pursuant to resolutions passed by our Board and the Shareholders dated August 13, 2016 and September 8, 2016, respectively, the authorized share capital of our Company was sub-divided from 6,000,000 equity shares of face value of ₹10 each to 60,000,000 Equity Shares of face value of ₹1 each. Accordingly, the issued, subscribed and paid-up equity share capital of Surrender Pal Singh Saluja was sub-divided from 1,815,600 equity shares of face value of ₹10 per equity share to 18,156,000 Equity Shares of face value of ₹1 per equity share.							
March 2018	5, Transfer from Surrender Singh Mukhija	100,000	1	26	Cash	0.03	[●]
March 2018	30, Bonus issue as on the record date i.e. March 28, 2018 in the ratio of three Equity Shares for every one Equity Share held	54,768,000	1	N.A.	N.A.	16.39	[●]
June 2019	17, Rights Issue	500,000	1	15	Cash	0.15	[●]
March 2024	21, Transfer by way of gift to Chiranjeev	(60,529,820)	1	Nil	N.A.	(18.12)	[●]

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	% of the pre-Offer equity share capital (%)	% of the post-Offer equity share capital (%)
April 2024	10, Singh Saluja Transfer by way of gift to Chiranjeev Singh Saluja Trust	(500)	1	Nil	N.A.	Negligible	[●]
April 2024	10, Bonus issue as on the record date i.e. April 10, 2024 in the ratio of 0.268 Equity Shares for every one Equity Share held	3,482,440	1	N.A.	N.A.	1.04	[●]
<b>Total</b>		<b>16,476,120</b>					
<b>Chiranjeev Singh Saluja</b>							
October 1996	11, Further Issue	550	100	100	Cash	0.02	[●]
October 1997	27, Further Issue	1,500	100	100	Cash	0.04	[●]
October 2002	31, Further Issue	3,550	100	100	Cash	0.11	[●]
January 2003	23, Further Issue	5,000	100	100	Cash	0.15	[●]
January 2003	30, Further Issue	2,000	100	100	Cash	0.06	[●]
March 2005	30, Further Issue	4,000	100	100	Cash	0.12	[●]
October 2006	5, Further Issue	5,650	100	100	Cash	0.17	[●]
November 23, 2006	Further Issue	2,000	100	100	Cash	0.06	[●]
March 2007	28, Further Issue	21,000	100	100	Cash	0.63	[●]
November 29, 2007	Further Issue	23,900	100	100	Cash	0.72	[●]
March 2007	28, Transfer from Bipindeep Singh Saluja	4,000	100	100	Cash	0.12	[●]
Pursuant to resolutions passed by our Board and the Shareholders dated February 18, 2008 and March 13, 2008, respectively, the authorized share capital of our Company was sub-divided from 500,000 equity shares of face value of ₹100 each to 5,000,000 equity shares of face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of Chiranjeev Singh Saluja was sub-divided from 73,150 equity shares of face value of ₹100 per equity share to 731,500 equity shares of face value of ₹10 per equity share.							
March 2008	31, Bonus issue as on the record date i.e. March 20, 2008 in the ratio of one equity share for every one equity share held	731,500	10	N.A.	N.A.	2.19	[●]
	Further issue	150,500	10	10	Cash	0.45	[●]
	Transfer by	107,800	10	Nil	N.A.	0.32	[●]

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	% of the pre-Offer equity share capital (%)	% of the post-Offer equity share capital (%)
	way of gift from Kesar Singh						
	Transfer from Deena Joseph	28,800	10	10	Cash	0.09	[●]
	Transfer from Joseph Varkey	3,000	10	10	Cash	0.01	[●]
	Transfer from Jayan Mathew	3,400	10	10	Cash	0.01	[●]
	Transfer from TJ Antony	3,000	10	10	Cash	0.01	[●]
March 22, 2011	Further issue	330,000	10	10	Cash	0.99	[●]
March 1, 2014	Further issue	487,500	10	10	Cash	1.46	[●]
Pursuant to resolutions passed by our Board and the Shareholders dated August 13, 2016 and September 8, 2016, respectively, the authorized share capital of our Company was sub-divided from 6,000,000 equity shares of face value of ₹10 each to 60,000,000 Equity Shares of face value of ₹1 each. Accordingly, the issued, subscribed and paid-up equity share capital of Chiranjeev Singh Saluja was sub-divided from 2,577,000 equity shares of face value of ₹10 per equity share to 25,770,000 Equity Shares of face value of ₹1 per equity share.							
December 2, 2016	Rights issue	8,000,000	1	1.25	Cash	2.39	[●]
December 20, 2016	Transfer by way of gift from Aumita Verma	2,000,000	1	Nil	N.A.	0.60	[●]
March 1, 2018	Transfer from Surender Singh Mukhija	100,000	1	26	Cash	0.03	[●]
	Transfer from New Era Enviro Ventures (Adilabad) Private Limited	120,000	1	26	Cash	0.04	[●]
March 30, 2018	Bonus issue as on the record date i.e. March 28, 2018 in the ratio of three Equity Shares for every one Equity Share held	107,970,000	1	N.A.	N.A.	32.32	[●]
June 17, 2019	Rights issue	900,000	1	15	Cash	0.27	[●]
July 18, 2019	Rights issue	500,000	1	15	Cash	0.15	[●]
January 4, 2020	Private Placement	135,000	1	15	Cash	0.04	[●]
March 17, 2020	Private Placement	375,000	1	20	Cash	0.11	[●]
September 4, 2020	Private Placement	225,000	1	20	Cash	0.07	[●]



Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	% of the pre-Offer equity share capital (%)	% of the post-Offer equity share capital (%)
March 2024	21, Transfer by way of gift from Surender Pal Singh Saluja	60,529,820	1	Nil	N.A.	18.12	[●]
March 2024	21, Transfer by way of gift from Vivana Saluja	9,207,500	1	Nil	N.A.	2.76	[●]
April 2024	10, Bonus issue as on the record date i.e. April 10, 2024 in the ratio of 0.268 Equity Shares for every one Equity Share held	57,843,062	1	N.A.	N.A.	17.31	[●]
<b>Total</b>		<b>273,675,382</b>					

- b) All the Equity Shares held by our Promoters were fully paid-up on the respective date of allotment of such Equity Shares.
- c) As of the date of this Draft Red Herring Prospectus, 51,385,500 Equity Shares constituting 15.38% of the outstanding paid-up share capital of our Company, held by our Promoters are pledged.
- d) *Shareholding of our Promoters and member of our Promoter Group*

Set forth below is the equity shareholding of our Promoters and the members of the Promoter Group as on the date of this Draft Red Herring Prospectus:

Name	Pre-Offer			Post-Offer <sup>^</sup>	
	Number of Equity Shares	Percentage of pre-Offer Equity Share capital (%)	Percentage of pre-Offer Equity Share capital on a fully diluted basis (%)*	Number of Equity Shares	Percentage of post-Offer Equity Share capital (%)
<b>Promoters</b>					
Surender Pal Singh Saluja	16,476,120	4.93	3.90	[●]	[●]
Chiranjeev Singh Saluja	273,675,382	81.92	64.84	[●]	[●]
<b>Total (A)</b>	<b>290,151,502</b>	<b>86.85</b>	<b>68.75</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group</b>					
Vivana Saluja	5,061,990	1.52	1.20	[●]	[●]
Manjeet Kaur Saluja	5,061,856	1.52	1.20	[●]	[●]
Jasveen Kaur	2,795,940	0.84	0.66	[●]	[●]
Charandeep Singh Saluja	1,775,200	0.53	0.42	[●]	[●]
Surender Pal Saluja Trust	500	Negligible	Negligible	[●]	[●]
Chiranjeev Saluja Trust	500	Negligible	Negligible	[●]	[●]
<b>Total (B)</b>	<b>14,695,986</b>	<b>4.40</b>	<b>3.48</b>	<b>[●]</b>	<b>[●]</b>
<b>Total (A+B)</b>	<b>304,847,488</b>	<b>91.25</b>	<b>72.23</b>	<b>[●]</b>	<b>[●]</b>

<sup>\*</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in aggregate, that are outstanding,

and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

^ Subject to basis of Allotment.

**e) Details of minimum Promoters' contribution locked in for three years**

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 (assuming exercise of all vested options under the PEL ESOP Scheme) shall be considered as minimum promoters' contribution and locked-in for a period of three years or any other period as may be prescribed under applicable law, from the date of Allotment ("Promoter's Contribution"). Our Promoter's shareholding in excess of 20% shall be locked in for a period of one year from the date of Allotment. As on the date of this Draft Red Herring Prospectus, our Promoters hold in the aggregate 290,151,502 Equity Shares, which constitutes 68.75% of the issued, subscribed and paid-up Equity Share capital of our Company, on a fully diluted basis.

Our Promoters have given 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 Promoter's Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of 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.

The details of Equity Shares held by our Promoters, which will be locked-in for minimum Promoter's contribution for a period of three years, from the date of Allotment as Promoters' Contribution are as provided below:

Name of the Promoter	Number of Equity Shares held <sup>#</sup>	Number of Equity Shares locked-in <sup>*</sup>	Date of allotment/ transfer of Equity Shares <sup>#</sup>	Face value per Equity Share (₹)	Allotment / Acquisition price per Equity Share (₹)	Nature of transaction	% of the post-Offer paid-up Capital on a fully diluted basis	Date up to which Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.

<sup>#</sup> Equity Shares were fully paid-up on the date of allotment/acquisition.

<sup>\*</sup> Subject to finalisation of Basis of Allotment.

The Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution under 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 during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoters' Contribution;
- (ii) The Promoter's Contribution does not include any Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, 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 one or more partnership firms or a limited liability partnership firm;
- (iv) The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge or any other form of encumbrance; and
- (v) All the Equity Shares held by our Promoters is in dematerialised form as on the date of this Draft Red Herring Prospectus.

**f) Details of Equity Shares locked-in for six months**

- (i) In terms of Regulation 17 of the SEBI ICDR Regulations, except for:
- a) the Promoter's Contribution and any Equity Shares held by our Promoter in excess of Promoter's Contribution, which shall be locked in as above;
  - b) Equity Shares issued by our Company to Eligible Employees (or such persons as permitted under the SEBI SBEB Regulations); and
  - c) the Offered Shares successfully transferred by the Selling Shareholders pursuant to the Offer for Sale;

the entire pre-Offer Equity Share capital of our Company, shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked in for a period of six months from the date of Allotment in the Offer. In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

- (ii) 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.
- (iii) Pursuant to Regulation 22 of the SEBI ICDR Regulations, (a) the Equity Shares held by the Promoters, which are locked-in may be transferred to another promoter and among the members of the Promoter Group or to any new promoters of our Company, and (b) the Equity Shares held by persons other than the Promoters and locked-in for a period of six months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations; and
- (iv) Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in, as the case may be from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

**g) Lock-in of Equity Shares Allotted to Anchor Investors**

50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

**h) Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, members of our Promoter Group and/or our Directors and their relatives during the six months immediately preceding the date of this Draft Red Herring Prospectus**

Except as disclosed below, none of our Promoters, members of our Promoter Group, our Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Draft Red Herring Prospectus.

Date of allotment/transfer	Nature of transaction	Names of allottees/transferee	Number of equity shares allotted/transferred	Percentage of paid-up share capital of our Company	Face value per equity share (₹)	Transaction price per equity share (₹)	
March 21, 2024	Transfer by way of gift from Surender Pal Singh Saluja	Chiranjeev Saluja	Singh	60,529,820	18.12	1	Nil
March 21, 2024	Transfer by way of gift	Chiranjeev Saluja	Singh	9,207,500	2.76	1	Nil

Date of allotment/transfer	Nature of transaction	Names of allottees/transferee	Number of equity shares allotted/transferred	Percentage of paid-up share capital of our Company	Face value per equity share (₹)	Transaction price per equity share (₹)
April 10, 2024	Bonus issue as on the record date i.e. April 10, 2024 in the ratio of 0.268 Equity Shares for every one Equity Share held	Chiranjeev Singh Saluja, Surender Pal Singh Saluja, Manjeet Kaur Saluja, Jasveen Kaur and Charandeep Singh Saluja	64,431,488	19.29	1	Nil
April 10, 2024	Transfer by way of gift by Surender Pal Singh Saluja	Chiranjeev Saluja Trust	500	Negligible	1	Nil
April 10, 2024	Transfer by way of gift by Vivana Saluja	Surender Pal Saluja Trust	500	Negligible	1	Nil

## 10. Our shareholding pattern

The table below represents 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)	
								Equity Shares	others	Total			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)		
(A)	Promoters and Promoter Group	8	304,847,488	-	-	304,847,488	91.25	Equity shares	others	304,847,488	91.25	304,847,488	72.23	N.A.	N.A.	51,385,500	15.38	304,847,488
(B)	Public	6	22,256,890	-	-	22,256,890	6.66	Equity shares	others	22,256,890	6.66	110,256,890	26.12	N.A.	N.A.	-	-	22,256,890
(C)	Non Promoter-Non Public	-	-	-	-	-	-	Equity shares	others	-	-	-	-	N.A.	N.A.	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	Equity shares	others	-	-	-	-	N.A.	N.A.	-	-	-
(C2)	Shares held by Employee Trusts	1	6,960,790	-	-	6,960,790	2.08	Equity shares	others	6,960,790	2.08	6,960,790	1.65	N.A.	N.A.	-	-	6,960,790
<b>Total</b>		<b>15</b>	<b>334,065,168</b>	<b>-</b>	<b>-</b>	<b>334,065,168</b>	<b>100</b>			<b>334,065,168</b>	<b>100</b>	<b>422,065,168</b>	<b>100</b>	N.A.	N.A.	<b>51,385,500</b>	<b>15.38</b>	<b>334,065,168</b>

\* As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs, in aggregate that are outstanding, and such CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

^ As of the date of this Draft Red Herring Prospectus, 51,385,500 Equity Shares constituting 15.38% of the outstanding paid-up share capital of our Company, held by our Promoters are pledged.

11. As on the date of this Draft Red Herring Prospectus, our Company has 15 equity shareholders.
12. **Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company**

Except as stated below, none of our Directors, Key Managerial Personnel or Senior Management hold any Equity Shares.

Name	Number of Equity Shares	Pre-Offer	
		Percentage of Equity Share capital	Percentage of equity share capital on a fully diluted basis <sup>(1)</sup> (%)
Surender Pal Singh Saluja	16,476,120	4.93	3.90
Chiranjeev Singh Saluja	273,675,382	81.92	64.84
Sudhir Moola	15,114,560	4.52	3.58
<b>Total</b>	<b>305,266,062</b>	<b>91.38</b>	<b>72.33</b>

<sup>(1)</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in the aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

13. **Details of shareholding of the major shareholders of our Company**

(a) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares	Pre-Offer	
			Percentage of equity share capital (%)	Percentage of Equity Share capital on a fully diluted basis (%) <sup>(1)</sup>
1.	Chiranjeev Singh Saluja	273,675,382	81.92	64.84
2.	Surender Pal Singh Saluja	16,476,120	4.93	3.90
3.	Sudhir Moola	15,114,560	4.52	3.58
4.	PEL ESOP Trust	6,960,790	2.08	1.65
5.	Vivana Saluja	5,061,990	1.52	1.20
6.	Manjeet Kaur Saluja	5,061,856	1.52	1.20
7.	South Asia Growth Fund II Holdings LLC	628,371	0.19	20.87

<sup>(1)</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in the aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

(b) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares	Pre-Offer	
			Percentage of equity share capital (%)	Percentage of Equity Share capital on a fully diluted basis (%) <sup>(1)</sup>
1.	Chiranjeev Singh Saluja	215,832,320	81.92	61.41
2.	Surender Pal Singh Saluja	12,994,180	4.93	3.70
3.	Sudhir Moola	11,920,000	4.52	3.39
4.	PEL ESOP Trust	5,489,581	2.08	1.56
5.	Vivana Saluja	3,992,500	1.52	1.14
6.	Manjeet Kaur Saluja	3,992,000	1.52	1.14
7.	South Asia Growth Fund II Holdings LLC	495,561	0.19	25.02

<sup>(1)</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in the aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

(c) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer		
		Number of Equity Shares	Percentage of equity share capital (%)	Percentage of Equity Share capital on a fully diluted basis (%) <sup>(1)</sup>
1.	Chiranjeev Singh Saluja	146,095,000	55.45	41.57
2.	Surender Pal Singh Saluja	73,524,000	27.91	20.92
3.	Vivana Saluja	13,200,000	5.01	3.76
4.	Moola Rama	7,677,120	2.91	2.18
5.	PEL ESOP Trust	5,489,581	2.08	1.56
6.	Moola Sudha	4,242,880	1.61	1.21
7.	Manjeet Kaur Saluja	3,992,000	1.52	1.14
8.	South Asia Growth Fund II Holdings LLC	495,561	0.19	25.02

<sup>(1)</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in the aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

(d) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Pre-Offer		
		Number of Equity Shares	Percentage of equity share capital (%)	Percentage of Equity Share capital on a fully diluted basis (%) <sup>(1)</sup>
1.	Chiranjeev Singh Saluja	146,095,000	55.45	41.57
2.	Surender Pal Singh Saluja	73,524,000	27.91	20.92
3.	Vivana Saluja	13,200,000	5.01	3.76
4.	PEL ESOP Trust	5,489,581	2.08	1.56
5.	Moola Rama	7,677,120	2.91	2.18
6.	South Asia Growth Fund II Holdings LLC	495,561	0.19	25.02
7.	Moola Sudha	4,242,880	1.61	1.21
8.	Manjeet Kaur Saluja	3,992,000	1.52	1.14

<sup>(1)</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debenture. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in the aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

#### <sup>(7)</sup> Employee Stock Options Scheme of our Company

##### *PEL ESOP Scheme*

Our Company adopted the PEL ESOP Scheme pursuant to the resolution passed by our Board on September 4, 2021 and the resolution passed by the Shareholders on September 9, 2021, as amended pursuant to a resolution passed by our Board on April 15, 2024 and resolution passed by the Shareholders on April 18, 2024. The PEL ESOP Scheme has been instituted to grant stock options exercisable into Equity Shares to eligible employees of our Company. The PEL ESOP Scheme is in compliance with the SEBI SBEB SE Regulations. The details of the PEL ESOP Scheme, as certified by Manian and Rao, Chartered Accountants, pursuant to their certificate dated April 19, 2024 are as follows:

Sr. No.	Particulars	Total
1)	Options granted	18,563,520
2)	Options vested (excluding options that have been exercised)	2,279,546
3)	Options exercised	N.A.
4)	Vesting period	3 years
5)	Total number of Equity Shares that would arise as a result of full	13,203,684

Sr. No.	Particulars	Total
	exercise of options granted (net of cancelled options)	
6)	Options forfeited/lapsed/cancelled	5,359,836
7)	Variation in terms of options	Nil
8)	Money realised by exercise of options	N.A.
9)	Total number of options in force	13,203,684

Particulars	Details				
	Financial Year 2021	Financial Year 2022	Financial Year 2023	Nine months ended December 31, 2023	From January 1, 2024 until the date of this DRHP <sup>(1)</sup>
Total options (including vested and unvested options) outstanding as at the beginning of the period	-	-	10,462,000	7,560,000	11,957,240
Total options granted	-	10,686,000	233,000	2,671,000	1,331,400
Exercise price of options in ₹ (as on the date of grant options)	-	27	27	27	21.29
Options forfeited/lapsed/cancelled	-	224,000	3,135,000	801,000	84,956
Variation of terms of options	Nil	Nil	Nil	Nil	Nil
Money realized by exercise of options in ₹	Nil	Nil	Nil	Nil	Nil
Total number of options outstanding in force	-	10,462,000	7,560,000	9,430,000	13,203,684
Total options vested (excluding the options that have been exercised)	-	-	1,737,150	60,599	-
Options exercised	-	-	-	-	-
The total number of Equity Shares that would arise as a result of full exercise of granted options (including options that have been exercised)	Nil	Nil	Nil	Nil	Nil
Employee wise details of options granted to:					
(i) Key Managerial Personnel	S. No	Name of the Key Managerial Personnel	Total number of options granted <sup>(1)</sup>	Year of grant	
	1.	Revathi Rohini Buragadda	760,800	Financial Year 2022	
	2.	Revathi Rohini Buragadda	317,000	Financial Year 2024	
	3.	Ravella Sreenivasa Rao	88,760	Financial Year 2023	
	4.	Nand Kishore Khandelwal	634,000	Financial Year 2023	
(ii) Senior Management	S. No	Name of the Senior Management	Total number of options granted <sup>(1)</sup>	Year of Grant	
	1.	Sudhir Moola	1,268,000	Financial Year 2022	
	2.	Sudhir Moola	634,000	Financial Year 2024	
	3.	Chandra Mauli Kumar	143,284	Financial Year 2023	
	4.	Chandra Mauli Kumar	46,916	Financial Year 2024	



Particulars	Details				
	Financial Year 2021	Financial Year 2022	Financial Year 2023	From January 1, 2024 until the date of this DRHP <sup>(1)</sup>	
(iii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	<b>S. No</b>	<b>Name of the employee</b>	<b>Total number of options granted<sup>(1)</sup></b>	<b>Year of Grant</b>	
	1.	Former employee*	1,296,000	Financial Year 2022	
	2.	Mohan Preet Singh Khurana	570,600	Financial Year 2024	
	3.	Milton Kenny	63,400	Financial Year 2023	
<i>*As on the date of this Draft Red Herring Prospectus, the options have lapsed.</i>					
(iv) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil				
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with the applicable accounting standard on 'Earnings Per Share'	N.A				
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	There won't be any impact as employee compensation is calculated based on fair value basis.				
Description of the pricing formula and the method and significant assumptions used to estimate the fair value of options granted during the year, including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:				
	<b>Particulars</b>	<b>Grant -4</b>	<b>Grant -3</b>	<b>Grant -2</b>	<b>Grant -1</b>
	Weighted average cost of capital	13.21%	11.55%	11.55%	11.25%
	Expected life	3 years	3 years	3 years	3 years
	Risk free rate	7.47%	7.29%	7.29%	5.59%
	Volatility	43%	53%	53%	60%
	Dividend yield	0%	0%	0%	0%
	Share price	27	27	27	27
	Exercise price	27	27	27	27
Impact on the profits and on the earnings per share of the last three years if the accounting policies specified in the SEBI SBEB SE Regulations had been followed, in respect of options granted in the last three years	The Company has complied with the accounting standard issued by the Institute of Chartered Accountants of India which is in line with the SEBI SBEB & SE Regulations.				

Particulars	Details				
	Financial Year 2021	Financial Year 2022	Financial Year 2023	Nine months ended December 31, 2023	From January 1, 2024 until the date of this DRHP <sup>(1)</sup>
Intention of key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer				N.A	
Intention to sell Equity Shares arising out of the PEL ESOP Scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of PEL ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)				N.A	

<sup>(1)</sup> Calculated giving the impact of bonus shares issued in the ratio of 0.268 shares for every one equity share vide Board resolution dated April 10, 2024 and Shareholders resolution dated April 10, 2024.

14. There have been no financing arrangements whereby the members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company in the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
15. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through the Offer.
16. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.
17. None of the BRLMs and their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.
18. Except for (i) the issuance of Equity Shares pursuant to exercise of options vested and/or granted under the PEL ESOP Scheme, (ii) Pre-IPO Placement; and (ii) conversion of the CCDs issued to South Asia Growth Fund II Holdings LLC and South Asia EBT Trust, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.
19. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.
20. Except for the allotment of Equity Shares pursuant to the Fresh Issue, conversion of outstanding CCDs into Equity Shares, exercise of options vested under the PEL ESOP Scheme and the Pre-IPO Placement, there will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
21. Except for the Equity Shares to be allotted pursuant to the Fresh Issue, conversion of outstanding CCDs into Equity Shares and exercise of options vested under the PEL ESOP Scheme, there is no proposal or intention, negotiations or consideration by our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of

bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.

22. The BRLMs, and any person related to the BRLMs or the Syndicate Members, cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs, or AIFs sponsored by entities which are associates of the BRLMs, or an FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs.
23. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
24. 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.

## OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares, aggregating up to ₹15,000 million by our Company and an Offer for Sale of up to 28,200,000 Equity Shares aggregating up to ₹[●] million by the Selling Shareholders. For details, see “*Summary of the Offer Document*” and “*The Offer*” on pages 22 and 80, respectively.

### The Offer for Sale

The object of the Offer for Sale is to allow the Selling Shareholders to sell up to 28,200,000 Equity Shares held by them aggregating up to ₹[●] million. Set forth hereunder are the details of the number of Equity Shares offered by each of the Selling Shareholders in the Offer:

S. No.	Name of the Selling Shareholder	Maximum number of Equity Shares to be offered in the Offer
1.	South Asia Growth Fund II Holdings LLC	23,846,400
2.	South Asia EBT Trust	153,600
3.	Chiranjeev Singh Saluja	4,200,000
<b>Total</b>		<b>28,200,000</b>

Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale, net of their respective proportion of the Offer-related expenses and the relevant taxes thereon.

### Fresh Issue

Our Company proposes to utilize the net proceeds, being the gross proceeds of the Fresh Issue less the Offer related expenses (“**Net Proceeds**”), towards funding the following objects (collectively, the “**Objects**”):

- Investment in our Subsidiary, Premier Energies Global Environment Private Limited (“**PEGEPL**”) for part-financing the establishment of a 4 GW Solar PV TOPCon Cell and 4 GW Solar PV TOPCon Module manufacturing facility in Hyderabad, Telangana, India (the “**Project**”); and
- General corporate purposes.

In addition, our Company expects to achieve the benefit of listing of our Equity Shares on the Stock Exchanges, including enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects clause of our Memorandum of Association enables our Company and our Subsidiary, PEGEPL to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with the main objects clause of our Memorandum of Association.

### Net Proceeds

After deducting the Offer related expenses from the gross proceeds of the Fresh Issue, we estimate the Net Proceeds to be ₹[●] million. The details of the Net Proceeds of the Offer are summarized in the table below:

S. No	Particulars	Estimated Amount
A.	Gross proceeds of the Fresh Issue	₹15,000 million <sup>(1)</sup>
	Less: Expenses in relation to the Fresh Issue*	[●] <sup>(2)</sup>
<b>B. Net Proceeds</b>		<b>[●]<sup>(2)</sup></b>

\* See “- Offer Related Expenses” below.

<sup>(1)</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the Objects prior to completion of the Offer.

<sup>(2)</sup> To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing of the RoC.

### Proposed schedule of implementation and utilisation of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(₹ in million)							
S. No	Particulars	Total estimated amount / expenditure (A)	Total amount deployed towards the Objects as of April 18, 2024 (B)**	Balance amount to be incurred (C=A-B)	Amount to be funded from Net Proceeds	Estimated deployment of Net Proceeds in Fiscal 2025	Estimated deployment of Net Proceeds in Fiscal 2026
1.	Investment in PEGEPL for part-financing the establishment of the Project	34,642.75	660.37***	33,982.38	11,687.38	5,843.69	5,843.69
2.	General corporate purposes*	-	-	-	[●]	[●]	[●]
<b>Total*</b>		<b>34,642.75</b>	<b>660.37***</b>	<b>33,982.38</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\*To be finalised upon determination of the Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the Objects prior to completion of the Offer.

\*\* The source of funds for the amount deployed towards the Project (i) until March 31, 2024, was the investment received from Premier Energies Limited; and (ii) from April 1, 2024 until April 18, 2024, was operational cash flows of PEGEPL.

Note: In respect of the amount deployed by PEGEPL towards the Project (i) from November 1, 2023 until March 31, 2024, our Statutory Auditor has issued its report on factual findings dated April 19, 2024 ("AUP"), in accordance with the Indian Standard on Related Services (SRS) 4400, "Engagements to Perform Agreed upon Procedures regarding Financial Information", issued by the Institute of Chartered Accountants of India, wherein they have stated that they have traced the amounts of sources of funds and deployment of funds to the amounts appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts and found such amounts to be in agreement. Further, they have traced the project wise total amounts relating to sources of fund and deployment of fund appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts to the unaudited general ledger balances and found it to be in agreement; and (ii) from April 1, 2024 until April 18, 2024, a report on factual findings dated April 19, 2024 has been issued by Sharad & Associates, the joint statutory auditors of PEGEPL, in accordance with Indian Standard on Related Services (SRS) 4400, "Engagements to Perform Agreed upon Procedures regarding Financial Information", issued by the Institute of Chartered Accountants of India, wherein they have stated that they have traced the amounts of sources of funds and deployment of funds to the amounts appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts and found such amounts to be in agreement. Further, they have traced the project wise total amounts relating to sources of fund and deployment of fund appearing in the schedule prepared by the management based on unaudited books of accounts to the unaudited general ledger balances and found it to be in agreement.

\*\*\* The total amount deployed towards the Objects is ₹660.37 million which includes (i) ₹600.78 million incurred towards acquisition of land for the Project, and (ii) ₹59.59 million incurred towards loan processing and finance costs.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, if required and general corporate purposes in accordance with applicable laws.

In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met due to factors such as (i) economic and business conditions; (ii) delay in procuring and operationalizing assets or necessary licenses and approvals; or (iii) any other commercial considerations, such unutilized portion of the Net Proceeds shall be utilized in the subsequent fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

The fund requirement, the deployment of funds and the intended use of the Net Proceeds indicated above is based on (i) the current management estimates, current circumstances of our business plan and the prevailing market conditions, which may be subject to change, and (ii) the project cost vetting report dated April 18, 2024 issued by RCT Solutions GmbH ("RCT" and such project cost vetting report, the "RCT Report"). The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. However, Indian Renewable Energy Development Agency Limited ("IREDA"), a financial institution, has extended a facility of ₹22,250.00 million pursuant to a sanction letter dated February 29, 2024, to enable PEGEPL

to part-finance the Project (“**Project Loan**”). For further details, see “**Risk Factors – We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer. Our funding requirements and deployment of the Net Proceeds of the Offer are based on management estimates and a project cost vetting report from RCT Solutions GmbH and have not been independently appraised. Our management will have broad discretion over the use of the Net Proceeds.**” on page 39.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, our ability to identify and implement growth initiatives, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For details, see “**Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders’ approval**” on page 65.

### Means of Finance

Other than ₹660.37 million that has already been incurred and deployed towards the Project, the balance amount to be spent on the Project shall be financed in the manner set forth below:

S. No.	Particulars	Amount (₹ in million)
1.	From the Net Proceeds	11,687.38
2.	From internal accruals of PEGEPL	45.00*
3.	From Project Loan	22,250.00
<b>Total</b>		<b>33,982.38</b>

\* Comprises (i) an amount of ₹33.00 million to be incurred towards the stamp duty at the time of entering into the sale agreement; and (ii) an amount of ₹12.00 million to be incurred towards registration fees at the time of executing the sale deed, both of which shall be funded through the internal accruals of PEGEPL.

**Note:** The source of funds for the amount deployed towards the Project (i) until March 31, 2024, was the investment received from Premier Energies Limited; and (ii) from April 1, 2024 until April 18, 2024, was operational cash flows of PEGEPL. In respect of the amount deployed by PEGEPL towards the Project (i) from November 1, 2023 until March 31, 2024, our Statutory Auditor has issued its report on factual findings dated April 19, 2024 (“AUP”), in accordance with the Indian Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India, wherein they have stated that they have traced the amounts of sources of funds and deployment of funds to the amounts appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts and found such amounts to be in agreement. Further, they have traced the project wise total amounts relating to sources of fund and deployment of fund appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts to the unaudited general ledger balances and found it to be in agreement; and (ii) from April 1, 2024 until April 18, 2024, a report on factual findings dated April 19, 2024 has been issued by Sharad & Associates, the joint statutory auditors of PEGEPL, in accordance with Indian Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India, wherein they have stated that they have traced the amounts of sources of funds and deployment of funds to the amounts appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts and found such amounts to be in agreement. Further, they have traced the project wise total amounts relating to sources of fund and deployment of fund appearing in the schedule prepared by the management based on unaudited books of accounts to the unaudited general ledger balances and found it to be in agreement.

In accordance with Regulation 7(1)(e) of the SEBI ICDR Regulations, we have made firm arrangements through verifiable means towards at least 75% of the stated means of finance for the Project, excluding the Net Proceeds allocated towards the Project and through existing identifiable internal accruals.

Of the total estimated cost of the Project amounting to ₹34,642.75 million, an amount of ₹11,687.38 million is proposed to be deployed by utilising the Net Proceeds. Further, PEGEPL has entered into a borrowing arrangement with IREDA, a financial institution that has extended a facility of an amount aggregating to ₹22,250.00 million pursuant a sanction letter dated February 29, 2024 to enable PEGEPL to part-finance the Project. For details of terms and conditions of sanction of the Project Loan, see “**Financial Indebtedness**” on page 398. Other customary terms and conditions of the Project Loan, such as mandatory covenants, negative covenants, pre disbursement conditions and event of defaults, etc. will be formalised once the Project Loan is executed with IREDA.

In addition, ₹660.37 million has already been deployed, and an amount of ₹45.00 million comprising (i) an amount of ₹33.00 million to be incurred towards the stamp duty at the time of entering into the sale agreement; and (ii) an amount of ₹12.00 million to be incurred towards registration fees at the time of executing the sale deed, shall both be funded through the internal accruals of PEGEPL.

Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer and existing identifiable internal accruals.

## Details of the Objects of the Fresh Issue

### I. Investment in our Subsidiary, PEGEPL for part-financing the establishment of a 4 GW Solar PV TOPCon Cell and 4 GW Solar PV TOPCon Module manufacturing facility in Hyderabad, Telangana, India

We intend to establish a 4 GW solar PV TOPCon cell manufacturing facility (“**4 GW Cell Facility**”) and a 4 GW solar PV TOPCon module manufacturing facility (“**4 GW Module Facility**”) at Hyderabad, Telangana, India, through our Subsidiary, PEGEPL. For details of the Subsidiary, please see “*Our Subsidiaries and Associates*” on page 251.

The market for solar modules is expected to continue to grow in India on account of ambitious government targets and increasing demand for clean energy, as per the F&S Report. Favourable regulatory environment and several government initiatives are geared towards encouraging domestic production of solar cells and solar modules. Various governmental schemes have been aimed at promoting domestic solar module usage, including the Central Public Sector Undertaking (“**CPSU**”) scheme, the *Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan* (“**PM-KUSUM Scheme**”) and the Grid Connected Solar Rooftop Programme which aims to equip 10 million homes in India with rooftop solar systems. We intend to capitalise on this growth momentum and the favourable government impetus by utilising a portion of the proceeds from the Fresh Issue towards expanding our current manufacturing capacities. Also see “*Our Business*” and “*Key Regulations and Policies*” on pages 204 and 236, respectively.

As of the date of this Draft Red Herring Prospectus, we operate through five manufacturing facilities through three properties, all of which are situated on land that we own, in Hyderabad, Telangana, India. Combined, our manufacturing facilities have an annual installed capacity of 2 GW for solar cells and 3.36 GW for solar modules as of the date of this Draft Red Herring Prospectus. Over the years, we transitioned from polycrystalline to monocrystalline solar cells and now, intend to move towards the production of solar cells and modules with TOPCon technology, a process whose advantages include higher efficiency, higher bifaciality, better longevity, and greater versatility, as per the F&S Report. For further details in relation to our products, please see “*Our Business – Our Business Operations – Product Portfolio*” on page 217. Our Company expects to benefit from such investment in PEGEPL as we believe our expansion plans and strategy will allow us to meet the anticipated increase in the demand for our products in the future, and enable us to supply to the growing markets more efficiently.

### *Estimated cost of the Project*

The total estimated cost to establish the Project is ₹34,642.75 million, and such cost is based on management estimates in accordance with our business plan, and as certified by RCT in the RCT Report.

Our Company proposes to invest ₹11,687.38 million from the Net Proceeds in PEGEPL to part-finance the Project. Further, the board of directors of PEGEPL and the Board of our Company pursuant to their resolutions each dated April 18, 2024, have consented and taken note, respectively, that an amount of ₹11,687.38 million is proposed to be funded for capital expenditure from the Net Proceeds towards the Project.

As a part of the Project, we require investment in (a) land and site development; (b) buildings and civil works; (c) plant and machinery; (d) utilities; (e) design, engineering and project management; (f) miscellaneous; (g) contingency; and (h) interest during construction, security margin and debt service reserve account. The detailed break-down of estimated cost of the Project, is set forth below:

Particulars	Estimated cost for 4 GW Cell Facility (₹ in million) <sup>(1)(3)</sup>	Estimated cost for 4 GW Module Facility (₹ in million) <sup>(1)(3)</sup>	Total estimated cost (₹ in million) <sup>(1)(3)</sup>	Amount already deployed (₹ in million) <sup>(2)</sup>	Balance to be funded (₹ in million)	Balance to be funded through the Net Proceeds (₹ in million)
Land and site development		1293.60	1,293.60	600.78	692.82 <sup>(5)</sup>	647.82 <sup>(5)</sup>
Buildings and civil works	1,383.84	996.17	2,380.01	-	2,380.01	476.00
Plant and machinery	12,202.96	3,399.91	15,602.87	-	15,602.87	2,340.43
Utilities	6,706.15	1,192.99	7,899.14	-	7,899.14	1,579.83
Design, engineering and project management	252.80	108.40	361.20	-	361.20	72.24
Miscellaneous	660.50	348.19	1,008.69	59.59 <sup>(6)</sup>	949.10	473.82
Contingency	478.60	175.89	654.49	-	654.49	654.49
Interest during construction, security margin and debt service reserve account	2,117.00	2,102.00	5,442.75 <sup>(4)</sup>	-	5,442.75 <sup>(4)</sup>	5,442.75 <sup>(4)</sup>
<b>Total</b>			<b>34,642.75</b>	<b>660.37</b>	<b>33,982.38<sup>(7)</sup></b>	<b>11,687.38</b>

- (1) Total estimated cost as per the RCT Report. The estimated cost also includes taxes, as applicable. However, PEGEPL 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 does not include any expenditure towards customs and other import duties. Also see “Risk Factors – We import machinery from overseas and the same is subject to certain risks which may adversely affect our business, results of operations, financial condition and cash flows.” on page 37.
- (2) The source of funds for the amount deployed towards the Project (i) until March 31, 2024, was the investment received from Premier Energies Limited; and (ii) from April 1, 2024 until April 18, 2024, was operational cash flows of PEGEPL. In respect of the amount deployed by PEGEPL towards the Project (i) from November 1, 2023 until March 31, 2024, our Statutory Auditor has issued its report on factual findings dated April 19, 2024 (“AUP”), in accordance with the Indian Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India, wherein they have stated that they have traced the amounts of sources of funds and deployment of funds to the amounts appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts and found such amounts to be in agreement. Further, they have traced the project wise total amounts relating to sources of fund and deployment of fund appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts to the unaudited general ledger balances and found it to be in agreement; and (ii) from April 1, 2024 until April 18, 2024, a report on factual findings dated April 19, 2024 has been issued by Sharad & Associates, the joint statutory auditors of PEGEPL, in accordance with Indian Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed upon Procedures regarding Financial Information”, issued by the Institute of Chartered Accountants of India, wherein they have stated that they have traced the amounts of sources of funds and deployment of funds to the amounts appearing in the schedule prepared by the management of PEGEPL based on unaudited books of accounts and found such amounts to be in agreement. Further, they have traced the project wise total amounts relating to sources of fund and deployment of fund appearing in the schedule prepared by the management based on unaudited books of accounts to the unaudited general ledger balances and found it to be in agreement.
- (3) For all imported machinery, we have assumed an exchange rate of ₹82.92 = USD 1, applicable as on February 29, 2024, as per the RBI reference rate archive.
- (4) Also includes ₹1,223.75 million as the amount to be paid towards debt service reserve account in addition to cost towards interest during construction amounting to ₹2,117.00 million and cost towards security margin amounting to ₹2,102.00 million.
- (5) Out of the total balance amount of ₹692.82 million to be incurred towards land and site development, ₹647.82 million is proposed to be utilised from the Net Proceeds. The remaining amount of ₹45.00 million is proposed to be paid in the following manner: (i) an amount of ₹33.00 million shall be incurred towards the stamp duty at the time of entering into the sale agreement; and (ii) an amount of ₹12.00 million shall be incurred towards registration fees at the time of executing the sale deed, both of which shall be incurred through the internal accruals of PEGEPL.
- (6) ₹59.59 million incurred towards loan processing and finance costs.
- (7) Of this amount, ₹ 22,250 million shall be funded through the Project Loan availed from IREDA.

### Detailed break-down of the cost of the Project

A further break-up of the specific costs towards establishing the Project is set forth below:

#### a) Land and site development:

The land on which PEGEPL proposes to establish the 4 GW Cell Facility and the 4 GW Module Facility, is located at UDL-5 Part at Industrial Park, Seetharampur, Ranga Reddy District, Telangana, India, aggregating to 75 acres



(“**Project Land**”). This Project Land has been allotted to PEGEPL pursuant to a letter dated April 18, 2024 (“**Final Allotment Letter**”), issued by the Telangana State Industrial Infrastructure Corporation Limited, a Government of Telangana Undertaking (“**TSIIC Limited**”). The amount paid by PEGEPL towards the acquisition of the Project Land was ₹600.78 million, inclusive of applicable taxes. However, PEGEPL shall be required to additionally pay an amount of ₹45.00 million comprising (i) an amount of ₹33.00 million to be incurred towards the stamp duty at the time of entering into the sale agreement; and (ii) an amount of ₹12.00 million to be incurred towards registration fees at the time of executing the sale deed, both of which shall be funded through the internal accruals of PEGEPL.

While PEGEPL had initially made an advance payment of ₹60.71 million on February 17, 2024 towards the provisional allotment of land, such land parcel was allocated by TSIIC Limited to PEGEPL pursuant to a provisional allotment letter dated March 16, 2024 (“**Provisional Allotment Letter**”) which was subject to certain conditions including that the payment of remainder amount be made within a period of 60 days from the issuance of such Provisional Allotment Letter, the construction of factory building commence within six months of PEGEPL being put in possession of such land, and that PEGEPL commence commercial production within two years of being in possession of the allotted land, among others.

As on the date of this Draft Red Herring Prospectus, PEGEPL is yet to enter into a sale agreement in relation to the acquisition of such Project Land, which shall be executed within a period of 21 days of date of receipt of the Final Allotment Letter, as per the conditions set out in such Final Allotment Letter. The physical possession of the Project Land would be delivered only upon the execution of the sale agreement. Also see “*Risk Factors – We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer. Our funding requirements and deployment of the Net Proceeds of the Offer are based on management estimates and a project cost vetting report from RCT Solutions GmbH and have not been independently appraised. Our management will have broad discretion over the use of the Net Proceeds.*” on page 39.

In addition to the amount already incurred, and to be incurred towards the acquisition of the Project Land, PEGEPL shall also be required to expend an estimated cost of ₹647.82 million, inclusive of taxes, as applicable, towards site development, as per the RCT Report, and we have obtained quotations for such amount, the details of which have been set out below.

Particulars	Estimated cost (₹ in million) <sup>(1)</sup>	Name of the Vendor	Date of quotation	Validity of quotation / Period of validity
Rock cutting, levelling works and boundary wall, and architecture drawing of entrance gate and portal	510.00	Veekshika Constructions	February 27, 2024	March 30, 2025
Storm drains	35.40	Veekshika Constructions	February 27, 2024	February 27, 2025
Sewer lines	18.88	Veekshika Constructions	February 27, 2024	February 27, 2025
Roads	83.54	Veekshika Constructions	February 27, 2024	February 27, 2025
<b>Total</b>	<b>647.82</b>			
<b>Total including estimated cost of acquisition of Project Land</b>	<b>1,293.60</b>			

(1) Total estimated cost as per the RCT Report. The estimated cost also includes taxes, as applicable.

The entire fund requirement of ₹647.82 million inclusive of taxes, as applicable, to be utilised towards site development, shall be met through the Net Proceeds.

Our Promoter and Directors do not have any interest in the Project Land. Further, our Promoters and our Directors are not associated in any manner, with TSIIC Limited, in relation to the acquisition of the Project Land.

*b) Buildings and civil works:*

Building and civil works for the 4 GW Cell Facility include (i) cell manufacturing shed civil works; and (ii) cell utility and shed civil works. Building and civil works for the 4 GW Module Facility include (i) module manufacturing shed civil works; and (ii) module utility and shed civil works.

The total estimated cost for buildings and civil works for the proposed Project is ₹2,380.01 million, inclusive of taxes, as applicable, as per the RCT Report, and we have obtained quotations for the entire amount, the details of which have been set out below.

Particulars	Estimated cost (₹ in million) <sup>(1)</sup>	Name of the Vendor	Date of quotation	Validity of quotation / Period of validity
<b>4 GW Cell Facility</b>				
Cell manufacturing shed civil works comprising pre-engineered building, civil construction, doors, windows, shutters, epoxy flooring, dock levellers, and puff walls and ceiling	806.59	Veekshika Constructions	February 27, 2024	February 27, 2025
Cell utility shed civil works comprising pre-engineered building, civil construction, doors, windows, shutters, epoxy flooring, dock levellers, and puff walls and ceiling	577.25	Veekshika Constructions	February 27, 2024	February 27, 2025
<b>Total (A)</b>	<b>1,383.84</b>			
<b>4 GW Module Facility</b>				
Module manufacturing shed civil works comprising pre-engineered building, civil construction, doors, windows, shutters, epoxy flooring, dock levellers, and puff walls and ceilings	501.68	Veekshika Constructions	February 27, 2024	February 27, 2025
Module utility shed civil works comprising pre-engineered building, civil construction, doors, windows, shutters, epoxy flooring, water proofing for tanks, and puff walls and ceilings	494.49	Veekshika Constructions	February 27, 2024	February 27, 2025
<b>Total (B)</b>	<b>996.17</b>			
<b>Total (A + B)</b>	<b>2,380.01</b>			

(1) Total estimated cost as per the RCT Report. The estimated cost also includes applicable taxes.

PEGEPL proposes to utilise an amount of ₹476.00 million out of the Net Proceeds, towards buildings and civil works.

c) *Plant and machinery:*

The total estimated cost for procurement and installation of plant and machinery for the Project is ₹15,602.87 million, inclusive of taxes, as applicable, as per the RCT Report. PEGEPL proposes to utilise an amount of ₹2,340.43 million out of the Net Proceeds, towards such procurement and installation of plant and machinery.

The plant and machinery for the 4 GW Cell Facility primarily includes automated guided vehicles system for material movement, automation tools, auxiliary equipment, thermal tools, laser and printing lines, among others, whereas the plant and machinery for the 4 GW Module Facility includes turnkey module line with glass loaders, wet tools, tabbers, stringers, conveyors, among others.

An indicative list of such plant and machinery that is intended to be purchased, along with details of the quotations received in this respect are set forth below, which has been included in the RCT Report:

Particulars	Estimated cost (₹ in million) <sup>(1)(2)</sup>	Name of the Vendor	Date of quotation	Validity of quotation / Period of validity
<b>4 GW Cell Facility</b>				

Particulars	Estimated cost (₹ in million) <sup>(1)(2)</sup>	Name of the Vendor	Date of quotation	Validity of quotation / Period of validity
Cell manufacturing line comprising of texturing diffusion, laser annealing, etching and polishing, passivation coating, metallization, tools along with automation, material handling testing and auxiliary cleaning tools	12,202.96	Suzhou Junion Intelligent Technology Co., Ltd, RoboTechnik Intelligent Technology Co. Ltd, Wuxi Kingenius Intelligent Equipment Co Ltd, NMTronics (India) Private Limited, RENA Technologies GmbH, Centrotherm International Ag, Centrotherm India Private Limited, China S.C New Energy Technology Corporation, Ideal Deposition Equipment and Applications (Shanghai) Co., Ltd, DR LASER, Wuxi Autowell Technology Co. Ltd.	Ranging from January 11, 2024 to February 29, 2024	Ranging from January 18, 2025 to July 25, 2025

#### **4 GW Module Facility**

Turnkey module line with glass loaders, tabbers, stringers, conveyors, bussing, laminators, JB placement, framing, flashers, sorting	3,399.91	Suzhou Shengcheng Solar Equipment Co. Ltd.	March 1, 2024	December 31, 2024
<b>Total</b>	<b>15,602.87</b>			

(1) Total estimated cost as per the RCT Report. The estimated cost also includes taxes, as applicable. However, PEGEPL has not considered customs duty for import of equipment as we propose to avail benefits under MOOWR / EPCG scheme of the Government of India. Therefore, cost of imported components does not include any expenditure towards customs and other import duties. Also see "Risk Factors – We import machinery from overseas and the same is subject to certain risks which may adversely affect our business, results of operations, financial condition and cash flows." on page 37.

(2) For all imported machinery, we have assumed an exchange rate of ₹82.92 = USD 1, applicable as on February 29, 2024, as per the RBI reference rate archive.

None of the orders for purchase of the plant and machineries, as provided above, have been placed as on the date of this Draft Red Herring Prospectus. Accordingly, orders worth ₹ 15,602.87 million, inclusive of taxes, as applicable, as per the RCT Report which constitutes 100% of the total estimated costs in relation to the purchase of plant and machineries are yet to be placed.

#### **d) Utilities:**

The total estimated cost of utilities for the Project is ₹7,899.14 million, inclusive of taxes, as applicable, as per the RCT Report. PEGEPL proposes to utilise an amount of ₹1,579.83 million out of the Net Proceeds, towards utilities.

The utilities for the 4 GW Cell Facility as well as for the 4 GW Module Facility primarily include heating ventilation and air conditioning, water treatment plant, fire hydrant, electrical system, process cooling water, gas distribution system and chemical distribution system, chemical, waste gas and heat exhaust system, among others.

A list of such utilities, along with details of the quotations received in this respect are set forth below, which has been included in the RCT Report:

Particulars	Estimated cost (₹ in million) <sup>(1)(2)</sup>	Name of the Vendor	Date of quotation	Validity of quotation / Period of validity
<b>4 GW Cell Facility</b>				

Particulars	Estimated cost (₹ in million) <sup>(1)(2)</sup>	Name of the Vendor	Date of quotation	Validity of quotation / Period of validity
Water treatment plant comprising treatment of ultrapure water with recycling plant, exhaust comprising acid, alkaline and general exhaust, scrubber, chemical delivery equipment and distribution system, gas delivery equipment and distribution system, heating ventilation and air conditioning for entire plant, process cooling water system, compressor dry air for all equipment, fire hydrant and alarm system, IT and networking equipment, electrical system comprising supply and installation of panels, cables, bus ducts, diesel generators and uninterrupted power supply system	6,706.15	Membrane Group India Private Limited, RP Air Solutions, UHP Technologies, Weather Markets Private Limited, NEO Techniques, SDB Techno Solutions, VNextGen IT Solutions Private Limited, Jakson Limited, Riello Power India Private Limited, SN Electric and Automation Private Limited	Ranging from January 8, 2024 to February 27, 2024	June 30, 2025
<b>4 GW Module Facility</b>				
Water treatment plant, general exhaust system, heating ventilation and air conditioning for entire plant, process cooling water system, compressor dry air for all equipment, fire hydrant and alarm system, IT and networking equipment, electrical system comprising supply and installation of cables and bus ducts, diesel generators, uninterrupted power supply system, supply and installation of panels	1,192.99	Membrane Group India Private Limited, RP Air Solutions, Weather Markets Private Limited, NEO Techniques, SDB Techno Solutions, VNextGen IT Solutions Private Limited, Jakson Limited, Riello Power India Private Limited, Vigneswara Electricals, SN Electric and Automation Private Limited	Ranging from January 8, 2024 to January 11, 2024	June 30, 2025
<b>Total</b>	<b>7,899.14</b>			

(1) Total estimated cost as per the RCT Report. The estimated cost also includes taxes, as applicable. However, PEGEPL has not considered customs duty for import of equipment as we propose to avail benefits under MOOWR / EPCG scheme of the Government of India. Therefore, cost of imported components does not include any expenditure towards customs and other import duties. Also see "Risk Factors – We import machinery from overseas and the same is subject to certain risks which may adversely affect our business, results of operations, financial condition and cash flows." on page 37.

(2) For all imported machinery, we have assumed an exchange rate of ₹82.92 = USD 1, applicable as on February 29, 2024, as per the RBI reference rate archive.

e) *Design, engineering and project management*

Design, engineering and project management in respect of the 4 GW Cell Facility and the 4 GW Module Facility comprises of architectural plan layout, structural designs, utility routing, design of general utilities, vendor coordination and project management. This is proposed to be undertaken in respect of both the facilities by Air Treatment Engineering Private Limited, which has issued the respective quotations each on February 11, 2024, valid for a period of 12 months from the date of such issuance. The aggregate estimated cost in this regard is ₹361.20 million, inclusive of taxes, as applicable, as per the RCT Report, and PEGEPL proposes to utilise an amount of ₹72.24 million out of the Net Proceeds, towards such cost.

f) *Miscellaneous*

Miscellaneous expenses in respect of the proposed 4 GW Cell Facility and the 4 GW Module Facility comprise expenses towards government approvals and licenses, training, start-up materials and loan processing and financing costs, and printing, stationery and travel. We have estimated that the total miscellaneous expenses are approximately ₹1,008.69 million of which, an amount of ₹473.82 million shall be utilised from the Net Proceeds.

A list of such items forming part of such miscellaneous expenses along with the corresponding expenses are set forth below, which has been included in the RCT Report:

Particulars	Estimated cost (₹ in million)
<b>4 GW Cell Facility</b>	
License and approval fees	150.00
Equipment transport, unloading and placement at site	195.00
Training	50.00
Start-up material	150.00
Loan processing and finance costs	100.00
Printing, stationary and travel	15.50
<b>Total (A)</b>	<b>660.50</b>
<b>4 GW Module Facility</b>	
License and approval fees	100.00
Equipment transport, unloading and placement at site	93.00
Training	50.00
Start-up material	50.00
Loan processing and finance costs	50.00
Printing, stationary and travel	5.19
<b>Total (B)</b>	<b>348.19</b>
<b>Total (A + B)</b>	<b>1,008.69</b>

In addition to the above, we have also accounted for an aggregate of ₹654.49 million as contingency cost on the total Project cost. Further, we have budgeted an aggregate of ₹1,410.00 million for interest during construction, ₹2,809.00 million towards security margin money and ₹1,223.75 million towards debt service reserve account.

#### ***Other expenses***

If there is any increase in the estimated costs as mentioned above, the additional costs shall be met by any means available to us, including internal accruals and additional equity and/or debt arrangements.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. PEGEPL has not entered into any definitive agreements or placed orders with any of these vendors and will do so at an appropriate time. Hence, there can be no assurance that the same vendors would be engaged to supply the equipment or at the same costs at the time of placing such orders. The quantity of equipment to be purchased is based on the present estimates of the management of PEGEPL and the management of PEGEPL shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of its management as per applicable laws. For further details, see “*Risk Factors - We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer. Our funding requirements and deployment of the Net Proceeds of the Offer are based on management estimates and a project cost vetting report from RCT Solutions GmbH and have not been independently appraised. Our management will have broad discretion over the use of the Net Proceeds*” and “*Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements in relation to the expansion of our manufacturing capacities in the form of a 4 GW TOPCon cell line and 4 GW solar module line which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties.*” on pages 39 and 45, respectively.

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

#### ***Schedule of implementation***

The detailed schedule of implementation of the Project is set forth below:

Particulars	Estimated schedule of commencement	Estimated schedule of completion
<b>4 GW Cell Facility</b>		
Conceptual, basic and detailed engineering	September 2024	December 2024
Site development	October 2024	January 2025

<b>Particulars</b>	<b>Estimated schedule of commencement</b>	<b>Estimated schedule of completion</b>
Buildings and civil works	November 2024	July 2025
Utilities	April 2025	April 2026
Equipment order and arrival	November 2025	February 2026
Commissioning and ramp up of production	March 2026	September 2026
<b>4 GW Module Facility</b>		
Conceptual, basic and detailed engineering	September 2024	December 2024
Site development	October 2024	January 2025
Buildings and civil works	November 2024	July 2025
Utilities	June 2025	January 2026
Equipment order and arrival	November 2025	December 2025
Commissioning and ramp up of production	January 2026	March 2026

### **Government approvals**

The approvals required at various stages of the Project have been set out in the table below. Such approvals are granted on commencement or completion of various activities, as applicable. The land on which the Project is proposed to be established has already been allotted to PEGEPL by TSIIC Limited pursuant to its Provisional Allotment Letter, and subsequently, the Final Allotment Letter.

However, other than an amount of ₹600.78 million incurred towards such acquisition of land and an amount of ₹59.59 million incurred towards loan processing and finance costs, PEGEPL has not deployed any funds towards the Project and has not commenced the construction of building and other civil works and accordingly, no approvals are required to be obtained as on the date of this Draft Red Herring Prospectus. According to the terms of the Provisional Allotment Letter, once PEGEPL is in possession of the land, it shall be required to commence construction of the factory building, upon obtaining building plan approvals from the competent authorities, within a period of six months, and shall commence commercial production, within a period of two years, after obtaining such possession of the land.

The necessary approvals for the Project shall be procured as and when they are required in accordance with applicable law.

<b>Approval Description</b>	<b>Approving Authority and Department</b>	<b>Stage at which approval required</b>
Land – allotment letter / agreement of sale / sale deed	TSIIC Limited	Land allocated to PEGEPL by TSIIC Limited pursuant to Final Allotment Letter dated April 18, 2024
Environmental clearance from the Ministry of Environment, Forest and Climate Change	Central Pollution Control Board	Before commencement of construction
Consent to establish	Telangana State Pollution Control Board	Before commencement of construction
Factory layout and building plan	TSIIC Industrial Area Local Authority	Before commencement of construction
Factory plan approval under Factories Act, 1948	Department of Factories, Government of Telangana	Before commencement of construction
Import Export Code	Directorate General of Foreign Trade, Ministry of Commerce and Industry	Received dated October 12, 2023
Temporary power connection for construction	Southern Power Distribution Company of Telangana Limited	Before commencement of construction
Drawing approval for electrical installation	Chief Electrical Inspector, Telangana	After detailed engineering drawings
Electrical load sanction	Southern Power Distribution Company of Telangana Limited / Transmission Corporation of Telangana Limited	After detailed engineering drawings
Approval for usage of water required both during construction and operation	Hyderabad Metropolitan Water Supply and Sewage Board	Before commencement of construction

Approval Description	Approving Authority and Department	Stage at which approval required
Fire plan approval	State Disaster Response and Fire Services Department, Government of Telangana	After detailed engineering drawings
Building and construction workers registration	Telangana Building and Other Construction Workers Welfare Board, Department of Labor, Government of Telangana	Simultaneously with building plan approval to be issued by TSIC Industrial Area Local Authority
Approval for energizing electrical installation	Chief Electrical Inspector, Telangana	After completion of plant construction
Approval for load release and extension of electrical supply	Southern Power Distribution Company of Telangana Limited / Transmission Corporation of Telangana Limited	After receipt of approval of energizing electrical installation
Consent to operate	Telangana State Pollution Control Board	After completion of plant construction
License to work at factory	Department of Factories, Government of Telangana	After completion of plant construction
License to store and handle hazardous substances	Petroleum and Explosives Safety Organization / Ministry of Commerce and Industry	After completion of construction of the storage facility of gases
Insurance under Public Liability Insurance Act, 1991	Copy to Department of Factories, Government of Telangana	Commencement of operations
Fire NOC	State Disaster Response and Fire Services Department, Government of Telangana	After completion of plant construction

In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or vary, subject to timelines and other terms and conditions as set out in the Provisional Allotment Letter and the Final Allotment Letter. For details, see “*Risk Factors - We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements in relation to the expansion of our manufacturing capacities in the form of a 4 GW TOPCon cell line and 4 GW solar module line which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties.*” on page 45.

The proposed investment of a portion of the Net Proceeds by our Company into PEGEPL towards establishment of the Project, shall be in the form of investment in either equity or debt instruments or in any other manner as may be mutually agreed between our Company and PEGEPL, in accordance with applicable law. The actual mode of such deployment has not been finalised as on the date of this Draft Red Herring Prospectus. Our Company will remain interested in PEGEPL to the extent of our shareholding, or as a lender if funds are deployed in the form of debt.

## II. General corporate purposes

The Net Proceeds will first be utilized for the object as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards our general corporate purposes, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, maintenance of plants and machineries, business development initiatives, employee related expenses, strengthening marketing capabilities and brand building exercises, meeting exigencies, meeting insurance requirements, payments of taxes and duties, meeting ongoing general corporate contingencies, and/or any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with the Companies Act and applicable law.

The allocation or quantum of utilization 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 Company’s management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any. In the event we are unable to utilise the entire amount that we have currently estimated for use of our Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) in the subsequent Fiscals.

## 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 commission, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, 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.

Each of our Company and the Selling Shareholders agree to share the costs and expenses (including all applicable taxes, except STT which shall be borne by the respective Selling Shareholders) directly attributable to the Offer (excluding listing fees, audit fees of the Statutory Auditor and expenses for any corporate advertisements, i.e. any corporate advertisements consistent with past practices of our Company that will be borne by the Company), based on the proportion of the Equity Shares allotted by the Company in the Fresh Issue and sold by the respective Selling Shareholders in the Offer for Sale, subject to applicable law. Any Offer expenses paid by our Company on behalf of the Selling Shareholders in the first instance will be reimbursed to our Company, by the Selling Shareholders severally and not jointly to the extent of its respective proportion of Offer related expenses. Further, the expenses related to the portion of the Offer for Sale shall be deducted from the proceeds of the Offer for Sale and only the balance amount shall be paid to the Selling Shareholders in the proportion to the Offered Shares sold by the respective Selling Shareholders. In the event of withdrawal or postponement of the Offer or if the Offer is not successful or consummated or is abandoned for any reason, all costs and expenses (including all applicable taxes) with respect to the Offer shall be borne by our Company unless under Applicable Law such costs and expenses are required to be shared between: (a) our Company, and (b) the Selling Shareholders, to the extent of and in proportion to the number of Equity Shares proposed to be issued and Allotted by the Company pursuant to the Fresh Issue and offered for sale by each of the Selling Shareholders in the Offer for Sale, respectively.

The estimated Offer expenses are as follows:

(₹ in million)				
S. No	Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
1.	Fees payable to the BRLMs including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
2.	Commission and processing fees for SCSBs <sup>(1)(2)</sup> and Bidding Charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(3)(4)(5)(6)</sup>	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Other expenses:			
	(i) Listing fees, SEBI filing fees, book building software fees, NSDL and CDSL fee and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery expenses	[●]	[●]	[●]
	(iii) Fees payable to the Statutory Auditor, Independent Chartered Accountant, industry service provider, independent chartered engineer and ROC consultant	[●]	[●]	[●]
	(iv) Advertising and marketing expenses for the Offer	[●]	[●]	[●]
	(v) Fees payable to the legal counsels to the Offer	[●]	[●]	[●]
	(vi) Miscellaneous	[●]	[●]	[●]
	<b>Total Estimated Offer Expenses</b>	[●]	[●]	[●]

\*To be incorporated in the Prospectus after finalization of the Offer Price. Offer expenses are estimates and are subject to change. Offer expenses include goods and services tax, where applicable.

<sup>(1)</sup> 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 Non-Institutional Investors*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Employees*	[●]% of the Amount Allotted (plus applicable taxes)

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



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.

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

(2) Processing fees payable to the SCSBs on the portion for Retail Individual Investors, portion for Non-Institutional Investors (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Brokers/RTAs/CDPs and submitted to SCSBs for blocking would be as follows:

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

\*Based on valid Bid cum Application Forms

(3) Selling commission on the portion for Retail Individual Investors, Eligible Employee Bidders and the portion for Non-Institutional Investors which are procured by Syndicate Members (including their sub-Syndicate Members) Registered Brokers, RTAs, CDPs would be as follows:

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

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

Bidding Charges: ₹[●] (plus applicable taxes) per valid application bid by the Members of the Syndicate (including their sub-Syndicate members)/ RTA/CDPs.

Note: The brokerage/selling commission payable to the Syndicate/sub-Syndicate members will be determined on the basis of the ASBA Form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if an ASBA bid on the application form number/series of a Syndicate/sub-Syndicate member, is bid for by an SCSB, the brokerage/selling commission will be payable to the SCSB and not to the Syndicate/sub-Syndicate member. The brokerage/selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The bidding charges payable to the Syndicate/sub-Syndicate members will be determined on the basis of the bidding terminal ID as captured in the Bid book of the Stock Exchanges. Payment of brokerage/selling commission payable to the sub-brokers/agents of the sub-Syndicate members shall be handled directly by the sub-Syndicate members, and the necessary records for the same shall be maintained by the respective sub-Syndicate member.

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Investors, and portion for Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Investors	₹[●] per valid Bid cum Application Form* (plus applicable taxes)
Portion for Non-Institutional Investors	₹[●] per valid Bid cum Application Form* (plus applicable taxes)
Portion for Eligible Employees	₹[●] per valid Bid cum Application Form* (plus applicable taxes)

\* Based on valid Bid cum Application Forms

(5) Bidding charges of ₹[●] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. Further, in order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.

(6) Processing fees for applications made by UPI Bidders would be as follows:

RTAs / CDPs/ Registered Brokers/Members of the Syndicate	₹[●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank(s)	₹[●] for applications made by UPI Bidders using the UPI mechanism* The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.

\* Based on valid applications

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

## Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended. 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 shares of any other listed company or for any investment in the equity markets.

## **Bridge Financing Facilities**

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 Utilization of Funds**

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with RoC, our Company will appoint a Monitoring Agency to monitor the utilization of the Net Proceeds as the proposed Offer (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹1,000 million. Our Audit and Risk Management Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Net Proceeds have been utilised in full. 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 and continue to disclose, the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such Fiscals as required under applicable law, clearly specifying the purposes for which the Net Proceeds have been utilised, till the time any part of the Net Proceeds remains unutilised. 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. Further, our Company, on a quarterly basis, shall include the deployment of Net Proceeds under various heads, as applicable, in the notes to our quarterly financial results. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

In accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Net Proceeds from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the Net Proceeds from the Objects as stated above. Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit and Risk Management Committee the uses and applications of the Net Proceeds. The Audit and Risk Management Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red Herring Prospectus and place it before the Audit and Risk Management Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. 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 Auditor of our Company in accordance with Regulation 32(5) of SEBI Listing Regulations.

## **Variation in Objects of the Offer**

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the objects of the Fresh Issue unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“**Notice**”) shall specify the prescribed details and be published in accordance with the Companies Act 2013. The Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and one in Telugu, the vernacular language of the jurisdiction where our Registered Office is situated.

In accordance with the Companies Act, our Promoters 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 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act and the SEBI ICDR Regulations.

For further details, see “**Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders’ approval.**” on page 65.

## **Appraising Entity**

None of the objects for which the Net Proceeds will be utilized have been appraised by any bank/financial institution or other independent agency. However, IREDA has sanctioned a loan of ₹22,250.00 million pursuant

to a sanction letter dated February 29, 2024 to enable PEGEPL to part-finance the Project. Also see “*Risk Factors – We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer. Our funding requirements and deployment of the Net Proceeds of the Offer are based on management estimates and a project cost vetting report from RCT Solutions GmbH and have not been independently appraised. Our management will have broad discretion over the use of the Net Proceeds.*” and “- *Proposed schedule of implementation and utilisation of Net Proceeds*” on pages 39 and 119, respectively.

#### **Other Confirmations**

Except as disclosed below, and except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholders, no part of the Net Proceeds will be paid to our Promoters, members of our Promoter Group, Directors, our Group Companies, our Key Managerial Personnel or Senior Management, except in the ordinary course of business.

Our Promoter and Managing Director, Chiranjeev Singh Saluja, is one of the Selling Shareholders in the Offer and shall receive proceeds pursuant to the sale of his portion of the Offered Shares in the Offer. Further, our Non-Executive Directors, Abhishek Loonker and Sridhar Narayan, will receive portions of the proceeds of the Offer to the extent of any distributions made by South Asia EBT Trust, an Investor Selling Shareholder, of which they are beneficiaries.

Our Company has neither entered into nor has planned to enter into any arrangement/ agreements with our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel, Senior Management or our Group Companies in relation to the utilization of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the Objects of the Offer except as set out above.

## BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the BRLMs, and in accordance with applicable law, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections “*Risk Factors*”, “*Our Business*”, “*Restated Consolidated Financial Information*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 31, 204, 280 and 351, respectively, to have an informed view before making an investment decision.

### I. Qualitative Factors

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

- We are India’s second largest integrated solar cell and solar module manufacturer as well as India’s second largest solar cell manufacturer.
- We have a long track record in solar module manufacturing sector
- We have technical expertise in solar cell line production
- We have diversified customer base with strong customer relationships both within India and overseas with a strong order book.
- We have an experienced Promoter-led senior management team with demonstrated execution capabilities

For further details, see “*Risk Factors*” and “*Our Business – Strengths*” on pages 31 and 208, respectively.

### II. Quantitative Factors

Certain information presented below relating to our Company based on the Restated Consolidated Financial Information. For details, see “*Restated Consolidated Financial Information*” on page 280.

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

#### 1. Basic and diluted earnings per Equity Share (“EPS”), as adjusted for change in capital:

Financial Year/Period ended	Basic and Diluted EPS (₹) <sup>(1)</sup>	Basic and Diluted EPS (₹) <sup>(1)</sup>	Weight
March 31, 2023	(0.40)	(0.40)	3
March 31, 2022	(0.44)	(0.44)	2
March 31, 2021	0.82	0.82	1
<b>Weighted Average</b>	<b>(0.21)</b>	<b>(0.21)</b>	
Nine months ended December 31, 2023*	3.81	3.02	

\* Not annualised.

#### Notes:

- <sup>(1)</sup> Pursuant to a Board resolution and Shareholders resolution dated April 10, 2024, bonus shares have been issued in the ratio of 0.268 shares for every one Equity Share. For calculation of EPS, bonus equity shares have been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented.
- <sup>(2)</sup> Earnings per share calculations are in accordance with Ind AS 33 (Earnings per Share).
- <sup>(3)</sup> The ratios have been computed as below:
  - a) Basic earnings per share (₹) = Restated Net profit/loss attributable to equity shareholders / weighted average number of shares outstanding during the year.
  - b) Diluted earnings per share (₹) = Restated Net profit/loss attributable to equity shareholders / weighted average number of dilutive equity shares
- <sup>(4)</sup> The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight.
- <sup>(5)</sup> Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

#### 2. Price/Earning (“P/E”) ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)*
Based on basic EPS for Fiscal 2023	[●]	[●]
Based on diluted EPS for Fiscal 2023	[●]	[●]

\*To be updated at the price band stage.

### 3. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company), details of the highest, lowest and industry average P/E ratio are set forth below:

Particulars	P/E ratio
Highest	N.A.
Lowest	N.A.
Average	N.A.

Note: The highest and lowest industry P/E shown above is based on the peer set provided below under “Comparison with listed industry peer”. The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see “- Comparison with listed industry peer” below.

### 4. Return on Net Worth (“RoNW”)

Financial Year/Period ended	RoNW (%)	Weight
March 31, 2023	(3.35)	3
March 31, 2022	(3.65)	2
March 31, 2021	10.63	1
<b>Weighted Average</b>	<b>(1.12)</b>	
Nine months ended December 31, 2023*	24.92	

\* Not annualised.

Notes:

- Return on net worth (%) = Restated profit/loss for the period/ year attributable to owners/ Restated Net worth at the end of the year/period
- Net worth means 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.
- Weighted average is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x weight) for each year/period)/(Total of weights).

### 5. Net Asset Value per Equity Share (“NAV”), as adjusted for change in capital

Financial Year ended/Period	Consolidated (₹) <sup>(1)</sup>
As on December 31, 2023	12.11
As on March 31, 2023	9.05
<i>After the Offer</i>	
- At the Floor Price	[●]*
- At the Cap Price	[●]*
<i>At Offer Price</i>	[●]

\*To be computed after finalisation of the Price Band

\*To be determined on conclusion of the Book Building Process.

Notes:

- Pursuant to a Board resolution and Shareholders resolution each dated April 10, 2024, bonus shares have been issued in the ratio of 0.268 shares for every one Equity Share. For calculation of NAV, bonus equity shares have been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented.
- Net asset value per Equity Share (₹) = Restated net worth / Number of Equity Shares and potential equity shares on account of compulsory convertible debentures outstanding as at the end of period/year. Restated net worth means 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 our Company on a restated basis.

### 6. Comparison of Accounting Ratios with listed industry peers

Set forth below is a comparison of our accounting ratios with our listed peer company as identified in accordance with the SEBI ICDR Regulations:

Name of Company	Total Income (in ₹ million)	Face value (₹ per share)	Closing price on April 5, 2024 (in ₹)	EPS (₹)		NAV (per share) (₹)	P/E	RoNW (%)
				Basic	Diluted			
Premier Energies Limited *	14,632.12	1	N.A.	(0.40)^	(0.40)^	9.05^	N.A.	(3.35)
<b>Listed peer**</b>								
Websol Energy System Limited	202.33	10	544.55	(6.31)	(6.31)	0.05	N.A.	(12,673.03)

\*The financial information for our Company is based on the Restated Consolidated Financial Information as at and for the financial year ended March 31, 2023.

\*\*The financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the financial statements for the financial year ended March 31, 2023 submitted to the Stock Exchanges.

^ Pursuant to a Board resolution and Shareholders resolution each dated April 10, 2024, bonus shares have been issued in the ratio of 0.268 shares for every one Equity Share. For calculation of EPS and NAV, bonus equity shares have been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented.

**Notes:**

1. P/E Ratio has been computed based on the closing market price of equity shares on National Stock Exchange of India Limited on April 5, 2024 divided by the Diluted EPS.
2. RoNW is calculated as Restated net profit/loss after tax/ Restated Net worth at the end of the year/period computed as on March 31, 2023. Restated Net-worth means: 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.
3. Net Asset Value per Equity Share (₹) = Restated net worth / Number of equity shares and potential equity shares on account of compulsory convertible debentures outstanding as at the end of period/ year. Restated net worth means 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.

### III. Key Performance Indicators (“KPIs”)

The table below sets forth the details of the KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals segments in comparison to our peers. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company’s performance in various business verticals and make an informed decision.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 15, 2024 and the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of this Draft Red Herring Prospectus have been disclosed in this section and have been subject to verification and certification by Manian & Rao, Chartered Accountants, pursuant to certificate dated April 19, 2024, which has been included as part of the “**Material Contracts and Documents for Inspections**” on page 482.

For details of other business and operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 204 and 351, respectively.

Details of our KPIs for the nine months ended December 31, 2023 and Fiscals 2023, 2022 and 2021 are set out below:

*(in ₹ million, unless otherwise indicated)*

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
<b>Financial Performance Indicators</b>				
Revenue from operations	20,172.06	14,285.34	7,428.71	7,014.58
EBITDA <sup>(1)</sup>	3,088.57	1,128.81	537.38	884.66
EBITDA Margin (%) <sup>(2)</sup>	15.19	7.71	7.01	12.02
Profit/ (Loss) after tax (in ₹ million)	1,274.02	(133.36)	(144.08)	258.07
PAT Margin (%) <sup>(3)</sup>	6.27	(0.91)	(1.88)	3.51
Debt to equity ratio <sup>(4)</sup>	2.64	1.86	1.15	1.56

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net working capital <sup>(5)</sup>	1,659.69	183.10	1,506.03	335.07
ROE (%) <sup>(6)</sup>	26.77	(3.18)	(4.66)	10.37
ROCE* (%) <sup>(7)</sup>	15.99	5.94	3.63	14.47
<b>Operating Performance Indicators</b>				
Order Book (in ₹ million) <sup>(8)</sup>	47,058.99	9,860.46	3,169.66	4,265.06
Annual Installed Capacity Solar Cell (GW) <sup>(9)</sup>	2.00	0.75	0.50	-
Effective Installed Capacity Solar cell (GW) <sup>(10)</sup>	0.58	0.56	0.31	-
Actual Production Solar Cell (GW) <sup>(11)</sup>	0.49	0.23	0.11	-
Capacity Utilisation (%) <sup>(12)</sup>	84.90%	40.66%	35.77%	-
Annual Installed Capacity Solar Module (GW) <sup>(9)</sup>	3.26	1.37	1.22	0.47
Effective Installed Capacity Solar Module (GW) <sup>(10)</sup>	1.03	1.14	0.90	0.40
Actual Production Solar Module (GW) <sup>(11)</sup>	0.64	0.49	0.23	0.19
Capacity Utilisation (%) <sup>(12)</sup>	62.40%	42.81%	25.99%	46.48%

\*Not annualized for period ended December 31, 2023.

**Notes:**

- (1) EBITDA is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.
- (2) EBITDA Margin has been calculated as our EBITDA during a given period as a percentage of total income during that period. Total income is calculated as revenue from operations and other income.
- (3) PAT Margin has been calculated as our restated profit for the year/ period during the given period as a percentage of total income during that period.
- (4) Debt to equity ratio has been calculated as debt divided by total equity (excluding non-controlling interest).
- (5) Net working capital has been calculated as total current assets minus total current liabilities.
- (6) ROE has been calculated as restated profit for the period/ year (owners share) divided by average total equity (excluding non-controlling interest) whereas average total equity is the average of opening and closing total equity (excluding non controlling interest) as disclosed in the Restated Consolidated Financial Information.
- (7) ROCE - Return on capital employed has been calculated as restated profit before tax plus finance cost divided by average capital employed where average capital employed is the average of opening and closing values of total equity (excluding non- controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill as disclosed in the Restated Consolidated Financial Information.
- (8) Order book refers to the outstanding order pending for delivery as on the cut off date against the confirmed purchase orders or supply agreements received from various customers.
- (9) Annual Installed Capacity: The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which has the maximum power output and can be produced in the specific production line.
- (10) Effective Installed Capacity: The effective installed capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line.
- (11) Actual production refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods or services generated.
- (12) Capacity Utilization (%): Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It's a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the nine months ended December 31, 2023, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized effective installed capacity.

Our Company confirms that it shall continue to disclose all the KPIs included hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges pursuant to the Offer, or until the utilization of Fresh Issue as disclosed in “**Objects of the Offer**” on page 119, whichever is later, or for such other period as may be required under the SEBI ICDR Regulations.

All such KPIs have been defined consistently and precisely in “**Definitions and Abbreviations – Conventional and General Terms or Abbreviations**” on page 11.

**Explanation of the historic use of the Key Performance Indicators by our Company to analyse, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. These KPIs may not be defined under Ind

AS and are not presented in accordance with Ind AS and hence, should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our performance, liquidity, profitability or results of operations. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

**The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:**

<b>KPI</b>	<b>Explanation for the KPI</b>
Revenue from operations	Revenue from operations represents the scale of our business as well as provides information regarding our overall financial performance.
EBITDA	EBITDA is an indicator of the operational profitability and financial performance of our business.
EBITDA Margin	EBITDA Margin provides the financial benchmarking against peers as well as to compare against the historical performance of our business.
Profit/ (Loss) after tax	PAT represents the profit / loss that we make for the financial year or during a given period. It provides information regarding the overall profitability of our business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability of our business and provides the financial benchmarking against peer as well as to compare against the historical performance of our business.
Debt to equity ratio	Debt to equity Ratio is a measure of the extent to which our Company can cover our debt and represents our debt position in comparison to our equity position. It helps evaluate our financial leverage
Net working capital	Net working capital measures the our Company's financial obligations are met, and it can invest in other operational requirements.
Return on Equity ("ROE")	Return on Equity represents how efficiently we generate profits from our shareholders funds.
Return on Capital Employed ("ROCE")	RoCE provides how efficiently our Company generates earnings from the capital employed in our business.
Order Book (in ₹ million)	This refers to the total confirmed total order book, to be delivered in over a period of ascertained timeline .
Annual Installed Capacity Solar Cell (GW)	This refers to the aggregate installed capacity of solar cell lines of all the manufacturing facilities taken together in gigawatt.
Effective Installed Capacity Solar cell (GW)	The effective installed capacity of a manufacturing plant for solar cell is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line
Actual Production Solar Cell (GW)	Actual production of solar cell refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods generated
Annual Installed Capacity Solar Module (GW)	This refers to the aggregate installed capacity of solar module lines of all the manufacturing facilities taken together in gigawatt.
Effective Installed Capacity Solar Module (GW)	The effective installed capacity of a manufacturing plant for solar module is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line
Actual Production Solar Module (GW)	Actual production of solar module refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods generated
Capacity Utilisation (%)	Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It's a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the



KPI	Explanation for the KPI
	aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period.

#### IV. Comparison of Key Performance Indicators with listed industry peers

Set forth below is a comparison of our KPIs with our peer company listed in India:

*(in ₹ million, unless otherwise indicated)*

Particulars	Premier Energies Limited				Websol Energy System Limited			
	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from operations	20,172.06	14,285.34	7,428.71	7,014.58	11.30	202.33	2,178.13	1,579.10
EBITDA <sup>(1)</sup>	3,088.57	1,128.81	537.38	884.66	(42.30)	(98.68)	310.07	380.57
EBITDA Margin (%) <sup>(2)</sup>	15.19	7.71	7.01	12.02	(374.34)	(48.77)	14.24	24.10
Profit/ (Loss) after tax (in ₹ million)	1,274.02	(133.36)	(144.08)	258.07	(635.00)	(236.86)	96.70	678.37
PAT Margin (%) <sup>(3)</sup>	6.27	(0.91)	(1.88)	3.51	(5,619.47)	(117.06)	4.44	42.96
Debt to equity ratio <sup>(4)</sup>	2.64	1.86	1.15	1.56	0.14	0.19	0.15	0.55
Net working capital <sup>(5)</sup>	1,659.69	183.10	1,506.03	335.07	N.A.	(401.60)	(55.27)	(306.95)
ROE (%) <sup>(6)</sup>	26.77	(3.18)	(4.66)	10.37	N.A.	(12.37)	5.29	45.48
ROCE* (%) <sup>(7)</sup>	15.99	5.94	3.63	14.47	N.A.	(48.13)	43.94	336.09
Order Book (in ₹ million) <sup>(8)</sup>	47,058.99	9,860.46	3,169.66	4,265.06	N.A.	N.A.	N.A.	N.A.
Annual Installed Capacity Solar Cell (GW) <sup>(9)</sup>	2.00	0.75	0.50	-	N.A.	N.A.	N.A.	N.A.
Effective Installed Capacity Solar cell (GW) <sup>(10)</sup>	0.58	0.56	0.31	-	N.A.	N.A.	N.A.	N.A.
Actual Production Solar Cell (GW) <sup>(11)</sup>	0.49	0.23	0.11	-	N.A.	N.A.	N.A.	N.A.
Capacity Utilisation (%) <sup>(12)</sup>	84.90%	40.66%	35.77%	NA	N.A.	N.A.	N.A.	N.A.
Annual Installed Capacity Solar Module (GW) <sup>(9)</sup>	3.26	1.37	1.22	0.47	N.A.	N.A.	N.A.	N.A.
Effective Installed Capacity Solar Module (GW) <sup>(10)</sup>	1.03	1.14	0.90	0.40	N.A.	N.A.	N.A.	N.A.
Actual Production Solar Module (GW) <sup>(11)</sup>	0.64	0.49	0.23	0.19	N.A.	N.A.	N.A.	N.A.
Capacity Utilisation (%) <sup>(12)</sup>	62.40%	42.81%	25.99%	46.48%	N.A.	N.A.	N.A.	N.A.

\*Not annualized for period ended December 31, 2023

N.A.: Not Available

#### Notes:

- 1) EBITDA is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.
- 2) EBITDA Margin has been calculated as the EBITDA during a given period as a percentage of total income during that period. Total income is calculated as revenue from operations and other income.
- 3) PAT Margin has been calculated as the restated profit for the year/ period during the given period as a percentage of total income during that period.
- 4) Debt to equity ratio has been calculated as debt divided by total equity (excluding non-controlling interest). Debt is calculated as the sum of borrowings (current and non-current), lease liabilities (current and non-current) and interest accrued.
- 5) Net working capital has been calculated as total current assets minus total current liabilities.
- 6) ROE has been calculated as restated profit for the period/year (owners share) divided by average total equity (excluding non-controlling interest) whereas average total equity is the average of opening and closing total equity (excluding non-controlling interest) as disclosed in the Restated Consolidated Financial Information
- 7) ROCE - Return on capital employed has been calculated as restated profit before tax plus finance cost divided by average capital employed where average capital employed is the average of opening and closing values of total equity (excluding non- controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill as disclosed in the Restated Consolidated Financial Information.
- 8) Order book refers to the outstanding order pending for delivery as on the cut off date against the confirmed purchase orders or supply agreements received from various customers.
- 9) Annual Installed Capacity: The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which has the maximum power output and can be produced in the specific production line.
- 10) Effective Installed Capacity: The effective installed capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line.
- 11) Actual production refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods or services generated.

12) *Capacity Utilization (%)*: Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It's a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the nine months ended December 31, 2023, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized effective installed capacity.

## Comparison of KPIs based on additions or dispositions to our business

Our Company has not made any material acquisitions or dispositions to its business during the nine months ended December 31, 2023, and Fiscal 2023, 2022 and 2021. For details regarding acquisitions and dispositions made our Company in the last 10 years, see “*History and Certain Corporate Matters— Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*” on page 246.

### V. Weighted average cost of acquisition, Floor Price and Cap Price

#### 1. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)

There has been no instances of issuance of Equity Shares or convertible securities, excluding shares issued under an employee stock option plan and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“**Primary Issuance**”).

#### 2. The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities)

There have been no secondary sales / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“**Secondary Transactions**”) are set forth below.

Since there are no such transactions to report under 1 and 2 above, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where Promoters, members of the Promoter Group, Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on the Board, are a party to the transaction), not older than three years prior to the date of this certificate irrespective of the size of transactions:

#### Primary transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding where the Promoters, Promoter Group, Investor Selling Shareholder, or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus irrespective of the size of the transaction.

S. No.	Name of Allottee	Date of Allotment	Specified Security	Nature of Allotment	Issue Price per Specified securities (in ₹)	Number of Specified securities allotted
1.	South Asia Growth Fund II Holdings LLC <sup>(2)</sup>	September 28, 2021	Equity Shares	Private Placement	15.81 <sup>(1)</sup>	628,371 <sup>(1)</sup>
2.	South Asia EBT Trust <sup>(2)</sup>	September 28, 2021	Equity Shares	Private Placement	15.81 <sup>(1)</sup>	4,047 <sup>(1)</sup>

3.	South Asia Growth Fund II Holdings LLC	September 28, 2021	CCDs	Preferential allotment <sup>(3)</sup>	20.00	87,436,800
4.	South Asia EBT Trust	September 28, 2021	CCDs	Preferential allotment <sup>(4)</sup>	20.00	563,200

**Notes:**

<sup>(1)</sup> Pursuant to a Board resolution dated April 10, 2024 and Shareholders resolution dated April 10, 2024, bonus equity shares have been issued in the ratio of 0.268 shares for every one equity share.

<sup>(2)</sup> Allotment of 495,561 Equity Shares to South Asia Growth Fund II Holdings LLC and 3,192 Equity Shares to South Asia EBT Trust pursuant to the share subscription agreement dated September 10, 2021 executed amongst the Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja

<sup>(3)</sup> 1,74,87,360 CCDs were allotted on September 28, 2021. The CCDs are convertible to equity shares. The conversion ratio has been determined as per the Amendment agreement to Share Subscription agreement dated December 19, 2022.

<sup>(4)</sup> 1,12,640 CCDs allotted as on September 28, 2021. The CCDs are convertible to equity shares. The conversion ratio has been determined as per the Amendment agreement to Share Subscription agreement dated December 19, 2022.

**Secondary transactions:**

Except as disclosed below, there have been no secondary transactions where the Promoters, Promoter Group, Investor Selling Shareholder, or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

S. No.	Name of Acquirer	Date of Transaction	Nature of Transaction	Acquisition Price per Specified securities (in ₹)	Number of Specified securities acquired
1.	Chiranjeev Singh Saluja	March 21, 2024	Gift from Surender Pal Singh Saluja	-	76,751,812*
2.	Chiranjeev Singh Saluja	March 21, 2024	Gift from Vivana Saluja	-	11,675,110*
3.	Surender Pal Singh Trust	April 10, 2024	Transfer by way of gift from Vivana Saluja	-	500
4.	Chiranjeev Singh Trust	April 10, 2024	Transfer by way of gift from Surender Pal Saluja	-	500

\* Pursuant to a Board resolution dated April 10, 2024 and Shareholders resolution dated April 10, 2024, bonus shares have been issued in the ratio of 0.268 Equity Shares for every one Equity Share.

**VI. Weighted average cost of acquisition (“WACA”), floor price and cap price**

Past transactions	Weighted average cost of acquisition per Equity Share (₹) <sup>#</sup>	Floor Price (₹) <sup>*</sup>	Cap Price (₹) <sup>*</sup>
Weighted average cost of acquisition of Primary Issuances	19.97	[●] times	[●] times
Weighted average cost of acquisition of Secondary Transactions	Nil	[●] times	[●] times

<sup>\*</sup> To be updated at the Prospectus stage.

<sup>#</sup> As certified by Manian & Rao, Chartered Accountants by way of their certificate dated April 19, 2024.

**VII. The Offer Price is [●] times of the face value of the Equity Shares**

The Offer Price of ₹[●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLMs, are justified of the Offer Price in view of the above qualitative and quantitative parameters.

**VIII. Detailed explanation for Offer Price/ Cap Price being [●] times of WACA of primary issuances /secondary transactions of Equity Shares (as disclosed above) along with our Company’s KPIs and financial ratios for nine months ended December 31, 2023 and Fiscals 2023, 2022 and 2021**

[●]\*

*\*To be included on finalisation of Price Band.*

**IX. Explanation for the Offer Price/Cap Price, being [●] times of WACA of primary issuances/secondary transactions of Equity Shares (as disclosed above) in view of the external factors which may have influenced the pricing of the Issue.**

[●]\*

*\*To be included on finalisation of Price Band.*

Investors should read the above-mentioned information along with “**Risk Factors**”, “**Our Business**”, “**Restated Consolidated Financial Information**” and “**Management Discussion and Analysis of Financial Condition and Revenue from Operations**” beginning on pages 31, 204, 280 and 351, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “**Risk Factors**” beginning on page 31 and any other factors that may arise in the future and you may lose all or part of your investment.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO PREMIER ENERGIES LIMITED (“THE COMPANY”), ITS SHAREHOLDERS AND MATERIAL SUBSIDIARIES UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

Date:

To

**The Board of Directors**

**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**

Plot No. 8/B/1 and 8/B/2, E-City,

Maheshwaram Mandal

Raviryala Village, Rangareddy

Telangana - 501359

**Sub: Statement of possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiaries under the direct and indirect tax laws**

Dear Sirs,

We Deloitte Haskins & Sells, the statutory auditor of Premier Energies Limited (formerly known as Premier Solar Systems Private Limited) (“the Company”) refer to the proposed initial public offering of equity shares of the Company” and such offering the “Offer”). We enclose herewith the statement (the “Annexure”) showing the current position of special tax benefits available to the Company, its shareholders and its Material Subsidiaries 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, the Union Territory 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 2023 vide Notification No. 1/2023 dated March 31, 2023 and applicable to the Assessment Year 2025-26 relevant to the Financial Year (FY) 2024-25 for inclusion in the Draft Red Herring Prospectus (“DRHP”) for the proposed initial public offering of equity shares of the Premier Energies Limited, 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 or Material Subsidiaries 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 or Material Subsidiaries to derive these direct and indirect 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 or Material Subsidiaries will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;

We hereby give our consent to include this report and the enclosed Annexure regarding the special tax benefits available to the Company, its shareholders and its Material Subsidiaries in the Draft Red Herring Prospectus for the Offer, which the Company intends to submit to the Securities and Exchange Board of India and the stock exchanges (National Stock Exchange of India Limited and BSE Limited) where the equity shares of Premier Energies Limited are proposed to be listed.

## **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 Offer under the ICDR Regulations.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No: 008072S)

**Ajay Jhawar**  
Partner  
(Membership No: 223888)  
(UDIN: 24223888BKFRVK7326)

Place: Hyderabad  
Date: April 19, 2024

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO PREMIER ENERGIES LIMITED (“THE COMPANY”), ITS SHAREHOLDERS AND MATERIAL SUBSIDIARIES**

The information provided below sets out the possible special tax benefits available to the Company, its shareholders, and its Material Subsidiaries 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. The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

**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 SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES**

#### **Under the Income Tax Act, 1961 (the Act)**

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

- A.** Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set-off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The options needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. Further, if the conditions mentioned in section 115BAA are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

The Company has represented to us that they have opted for section 115BAA of the Act for AY 2023-24

##### ***B. Deductions from Gross Total Income***

###### **Deduction in respect of employment of new employees – 80JJAA of the Act:**

Subject to the fulfillment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

###### **Deduction in respect of inter-corporate dividends – Section 80M of the Act**

Up to 31<sup>st</sup> March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax (“DDT”), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1<sup>st</sup> April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid. The Company is required to deduct Tax at Source

("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a shareholder, which is a domestic company as defined in section 2(22A) of the Income Tax Act, 1961, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

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

- A. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not, surcharge would be restricted to 15%, irrespective of the amount of dividend.
- B. As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act. It is worthwhile to note that tax shall be levied where such capital gains exceed 1,00,000.
- C. **Section 112 of the Act provides for taxation of long-term capital gains.**

In case of a domestic company/ resident, amount of income-tax on long-term capital gains arising from the transfer of a capital asset shall be computed at the rate of 20%.

In case of non-resident (not being a company) or a foreign company, the amount of income-tax on long-term capital gains arising from the transfer of a capital asset (being unlisted securities or shares of a company not being a company in which the public are substantially interested) shall be calculated at the rate of 10% without giving effect to the first and second proviso to section 48.

Further, where the tax payable is payable in respect of any income arising from the transfer of a long-term capital asset, being listed securities (other than a unit) or zero coupon bond, then such income will be subject to tax at the rate of 10% of the amount of capital gains before giving effect to the provisions of the second proviso to section 48.

- D. As per Section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the Act.

## ***III. Special direct tax benefits available to Material Subsidiaries***

The Material Subsidiaries of the Company, being resident Indian entities viz., Premier Energies Photovoltaic Private Limited and Premier Energies International Private Limited can claim the above benefits as is available to the Company under the provisions of the Income Tax Act, 1961

### **Notes:**

1. The benefits in I and II above are as per the current tax law as amended by the Finance Act, 2024.



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% irrespective of the amount of total income.
5. Health and Education Cess @ 4% on the tax and surcharge is payable by all category of tax payers.
6. We understand that the Company has opted for concessional tax rate under section 115BAA of the Act. Hence, it will not be allowed to claim any of the following deductions:
  - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
  - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
  - Deduction under section 32AD or section 33AB or section 33ABA (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 (Expenditure on scientific research)
  - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
  - Deduction under section 35CCD (Expenditure on skill development)
  - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M;
  - 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, if such loss or depreciation is attributable to any of the deductions referred above.
7. Further, it is also clarified in section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB 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 SPECIAL POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES**

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

- The Company avails the benefit of Exports without payment of tax by furnishing Letter of Undertaking (LUT) and further claim refund of accumulated ITC under section 54 of CGST Act 2017.
- The Company holds a license for a warehouse under Section 58 of Customs act and has got a permission to conduct Manufacturing or other operations within the warehouse (MOOWR) under section 65 of the Act. The Company avails the benefit of duty deferment scheme i.e., the Company is not discharging customs duty and IGST on imports.
- The Company has got a license under EPCG scheme towards import of capital goods. Hence, the Company avails BCD exemption under Notification No. 103/2009-Customs and IGST exemption under Notification no. 79/2017-Customs dated October 13, 2017
- The Company avails the benefit of deferred customs duty payment being certified under Authorised Economic Operator (AEO) programme.
- The Company avails the benefit of ASEAN Free trade Agreement vide Notification No. 46/2011-Customs dated 1st June, 2011
- The Company avails benefit under Customs Act, 1962 by way of exemption notification for the following parts and components imported subject to fulfilment of Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 (IGCR Rules).

<b>Parts and Components</b>	<b>Notification and Serial Number reference</b>
Ethylene Vinyl Acetate sheets (EVA)	025/1999 Sl. No. 18A
Tinned copper interconnect – Wire/Ribbon	025/1999 Sl. No. 18A
Tinned copper interconnect – Bus Bar	025/1999 Sl. No. 18A
Silver Conductor metallic paste	025/1999 Sl. No. 18A
Solar tempered glass	050/2007 Sl. No. 340

- The Company supplies goods at a concessional rate of GST at 0.1% to Merchant Exporters as per Section 11 of CGST Act, 2017 read with Notification no. 40/2017-Central tax (Rate) dated 23-Oct-2017 [Section 6 of IGST Act, 2017 read with Notification no. 41/2017-Intergrated tax (Rate) dated 23-Oct-2017]

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

- There are no special tax benefits available to the shareholders.

**III. Special indirect tax benefits available to Material Subsidiary – Premier Energies Photovoltaic Private Limited**

- The Company avails the benefit of Exports without payment of tax by furnishing Letter of Undertaking (LUT) and further claim refund of accumulated ITC under section 54 of CGST Act 2017.
- The Company holds a license for a warehouse under Section 58 of Customs act and has got a permission to conduct Manufacturing or other operations within the warehouse (MOOWR) under section 65 of the Act. The Company avails the benefit of duty deferment scheme i.e., the Company is not discharging customs duty and IGST on imports.
- The Company has got a license under EPCG scheme towards import of capital goods. Hence, the Company avails BCD exemption under Notification No. 103/2009-Customs and IGST exemption under Notification no. 79/2017-Customs dated October 13, 2017
- The Company avails the benefit of ASEAN Free trade Agreement vide Notification No. 46/2011-Customs dated 1st June, 2011
- The Company avails benefit under Customs Act, 1962 by way of exemption notification for the following parts and components imported subject to fulfilment of Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 (IGCR Rules).

<b>Parts and Components</b>	<b>Notification and Serial Number reference</b>
Ethylene Vinyl Acetate sheets (EVA)	025/1999 Sl. No. 18A
Tinned copper interconnect – Wire/Ribbon	025/1999 Sl. No. 18A
Tinned copper interconnect – Bus Bar	025/1999 Sl. No. 18A
Silver Conductor metallic paste	025/1999 Sl. No. 18A
Solar tempered glass	050/2007 Sl. No. 340

- The Company supplies goods at a concessional rate of GST at 0.1% to Merchant Exporters as per Section 11 of CGST Act, 2017 read with Notification no. 40/2017-Central tax (Rate) dated 23-Oct-2017 [Section 6 of IGST Act, 2017 read with Notification no. 41/2017-Intergrated tax (Rate) dated 23-Oct-2017]

**IV. Special indirect tax benefits available to Material Subsidiary – Premier Energies International Private Limited**

- The Company avails the benefit of Exports without payment of tax by furnishing Letter of Undertaking (LUT) and further claim refund of accumulated ITC under section 54 of CGST Act 2017.
- The Company holds a license for a warehouse under Section 58 of Customs act and has got a permission to conduct Manufacturing or other operations within the warehouse (MOOWR) under section 65 of the Act. The Company avails the benefit of duty deferment scheme i.e., the Company is not discharging customs duty and IGST on imports.
- The Company avails benefit under Customs Act, 1962 by way of exemption notification for the following parts and components imported subject to fulfilment of Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 (IGCR Rules).

<b>Parts and Components</b>	<b>Notification and Serial Number reference</b>
Ethylene Vinyl Acetate sheets (EVA)	025/1999 Sl. No. 18A
Tinned copper interconnect – Wire/Ribbon	025/1999 Sl. No. 18A
Tinned copper interconnect – Bus Bar	025/1999 Sl. No. 18A
Silver Conductor metallic paste	025/1999 Sl. No. 18A
Solar tempered glass	050/2007 Sl. No. 340

- The Company supplies goods at a concessional rate of GST at 0.1% to Merchant Exporters as per Section 11 of CGST Act, 2017 read with Notification no. 40/2017-Central tax (Rate) dated 23-Oct-2017 [Section 6 of IGST Act, 2017 read with Notification no. 41/2017-Intergrated tax (Rate) dated 23-Oct-2017]

**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 IV – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Industry Report on Solar Cell and Module Market” dated April 18, 2024 (the “F&S Report”) prepared and issued by Frost & Sullivan (India) Private Limited (“F&S”), appointed by us on February 6, 2024 and exclusively commissioned and paid for by us in connection with the Offer. A copy of the F&S Report is available on the website of our Company at <https://premierenergies.com/investor-relations/ipo-documents>. The data included herein includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. F&S is an independent agency and is not related to the Company, its Directors, Promoters, Selling Shareholders, Subsidiaries or BRLMs. There are no parts, data or information relevant for the proposed Offer, 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” on page 67. 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.*

*While preparing its report, F&S has also sourced information from publicly available sources, including our Company’s financial statements. 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.*

### MACROECONOMIC OVERVIEW OF GLOBAL ECONOMY

#### **Global economy is on course for stable growth**

The global economy (real gross domestic product “GDP”), which is now well on the path of recovery, has undergone stress in the last few years due to extended trade conflicts, slowdown in investments across the world and then a novel virus. The global economy was showing signs of slowdown since CY2018 and then entered a recession in CY2020 owing to the unprecedented crisis caused by the COVID-19 pandemic.

The pandemic brought economic activity to a near standstill in CY2020 and to an extent in CY2021, as many countries had to impose strict restrictions to curb the spread of the virus. Post opening after COVID-19, the global economy showed tremendous resilience and recorded a sharp growth in CY2021. However, the economy once again was affected with multiple factors in CY2022 including the Russia-Ukraine war, inflation, slowdowns in the United States and Europe, supply chain issues and other factors. The impact of these factors was moderated in CY2023 with global real GDP stabilizing at 3.1% growth. The global economy is expected to grow at the same pace in CY2024 and slightly accelerate to 3.2% in CY2025 and CY2026 before moderating to 3.1% in CY2027 and CY2028. However, this outlook faces headwinds in the form of higher interest rates implemented by central banks to combat inflation and reduced government spending due to accumulated debt.

#### **Real GDP Growth by Select Regions & Countries – Historic and Forecast, World, CY2018 – CY2028E**

Country / Region	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024E	CY2025E	CY2026E	CY2027E	CY2028E
World	3.6%	2.8%	-2.8%	6.3%	3.5%	3.1%	3.1%	3.2%	3.2%	3.1%	3.1%
United States	2.9%	2.3%	-2.8%	5.9%	2.1%	2.5%	2.1%	1.7%	2.1%	2.1%	2.1%
China	6.8%	6.0%	2.2%	8.4%	3.0%	5.2%	4.6%	4.1%	4.1%	3.7%	3.4%
India	6.5%	3.9%	-5.8%	9.1%	7.2%	6.7%	6.5%	6.5%	6.3%	6.3%	6.3%
North America	2.8%	2.0%	-3.5%	5.8%	2.3%	2.3%	1.9%	1.7%	2.0%	2.1%	2.1%
Europe	2.3%	2.0%	-5.5%	6.0%	2.4%	0.5%	0.9%	1.7%	1.9%	1.7%	1.6%
Asia and Pacific	5.3%	4.1%	-0.8%	6.9%	4.1%	4.4%	4.1%	4.2%	4.2%	4.0%	3.9%
Middle East and Central Asia	2.8%	1.6%	-2.6%	4.3%	5.6%	2.0%	2.9%	4.2%	3.6%	3.8%	3.7%
Africa	3.4%	3.0%	-1.7%	4.8%	3.9%	3.3%	3.8%	4.1%	4.2%	4.3%	4.4%
Latin America	1.1%	0.2%	-7.0%	7.3%	4.1%	2.5%	1.9%	2.5%	2.5%	2.6%	2.5%

Source: IMF, World Economic Outlook, Frost & Sullivan Analysis

India has emerged as the world's fastest-growing large economy for the past three years. In CY2023, India's real GDP growth reached 6.7%, following a 7.2% expansion in CY2022. This economic momentum is projected to continue, with India expected to remain the fastest growing large economy over the next five years with growth expected to be supported by stable domestic demand and private investments.

On the other hand, some of the world's major economies such as the United States, Europe and China are experiencing a mixed scenario. The US economy displayed resilience in CY2023 with 2.5% growth, driven by consumer spending and government investments. However, growth in Europe remained sluggish at 0.5%, with Germany, a major player, grappling with near-recessionary conditions. China's economy experienced a 5.2% expansion in CY2023, driven primarily by abandoning its "zero-COVID" policy at the end of CY2022 and subsequent recovery of the industry and services sector from the second quarter of CY2023.

#### Inflationary pressure eased in CY2023 – acted as a catalyst for global growth

After reaching a peak of 8.7% in CY2022, global inflation gradually eased to 6.9% in CY2023 and is projected to decline to 5.8% in CY2024. This anticipated decline is attributed to tighter monetary policies implemented by central banks, coupled with a decrease in international commodity prices.

#### Inflation Rate – Historic and Forecast, World, CY2018 – CY2028E

Country / Region	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024E	CY2025E	CY2026E	CY2027E	CY2028E
World	3.6%	3.5%	3.2%	4.7%	8.7%	6.9%	5.8%	4.6%	4.2%	3.9%	3.8%
United States	2.4%	1.8%	1.3%	4.7%	8.0%	4.1%	2.8%	2.5%	2.2%	2.1%	2.1%
China	1.9%	2.9%	2.5%	0.9%	1.9%	0.7%	1.7%	2.2%	2.2%	2.2%	2.2%
India	3.4%	4.8%	6.2%	5.5%	6.7%	5.5%	4.6%	4.1%	4.1%	4.0%	4.0%
North America	2.7%	2.0%	1.4%	4.7%	7.9%	4.2%	2.8%	2.5%	2.2%	2.1%	2.2%
Europe	2.2%	2.0%	1.1%	3.5%	9.9%	6.5%	4.1%	2.7%	2.5%	2.4%	2.3%
Asia and Pacific	3.0%	3.4%	3.2%	3.0%	6.6%	5.2%	5.4%	4.8%	4.5%	4.2%	4.1%
Middle East	8.4%	6.4%	9.8%	12.2%	14.0%	13.9%	10.0%	7.9%	7.4%	7.1%	7.0%
Africa	11.3%	9.0%	10.6%	12.8%	14.3%	18.5%	17.3%	11.8%	9.5%	8.7%	7.9%

Source: IMF, World Economic Outlook, Frost & Sullivan Analysis

The global economy has shown resilience in CY2023 despite the fastest monetary policy tightening cycle in four decades, severe banking sector stress, wars in Ukraine and Israel, etc. With disinflation and steady growth, the likelihood of an economic downturn has receded globally. Easing supply constraints, reduced labor shortages, cooling energy prices and moderating demand growth have led to a notable easing of inflation pressures globally. All these trends are likely to continue in CY2024 and beyond and global economy is poised to grow at a CAGR of 3.1% over the next 5 years.

In India, inflation has softened from 6.7% in CY2022 to 5.5% in CY2023. With rising consumer confidence, and improved business sentiments, inflation in India is expected to remain stable over the next five years at around 4%.

## MACROECONOMIC OVERVIEW OF INDIAN ECONOMY

### India emerged as the fastest growing large economy in the last 3 years

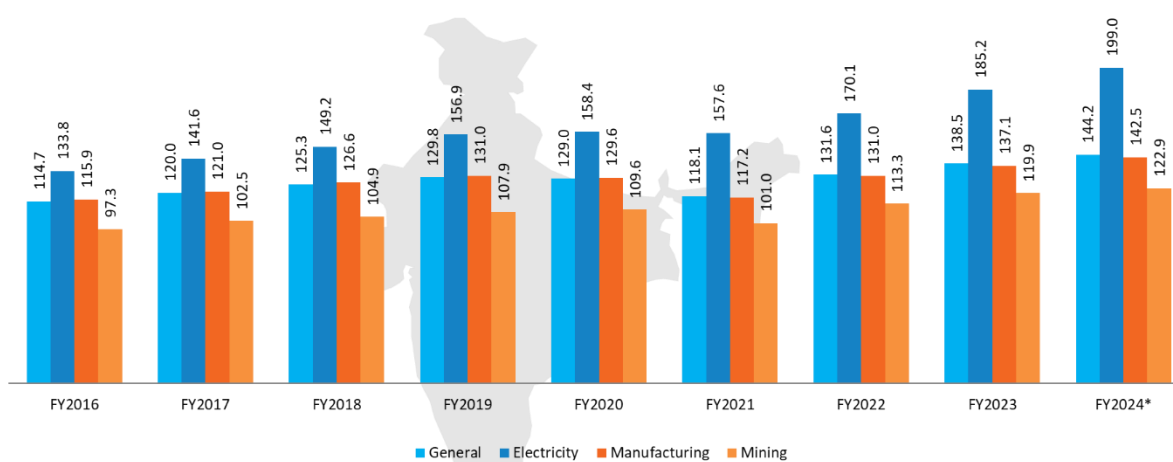
With 7.2% real GDP growth in FY2023 and 7.3% projected growth for FY2024, the Indian economy has shown resilience post the pandemic and emerged as the fastest growing large economy in the last three years which was least impacted by inflation globally. Structural reforms including disinvestment, higher foreign direct investment (“FDI”) limits, and a national logistics policy were aimed at bolstering India’s manufacturing sector post-pandemic. In addition, the government announced seven priorities - ‘Saptarishi’ that include inclusive development, reaching the last mile, infrastructure and investment, unleashing the potential, green growth, youth power, and financial sector.

In CY2019, the Indian government set a target of becoming a USD 5 trillion economy by FY2025. As a result of the COVID-pandemic, the government revised the original timeline by 18–24 months. India’s economy is likely to surpass USD 4 trillion in FY2025 and grow further to USD 5 trillion by FY2028 or FY2029 to become the third largest economy, surpassing Germany and Japan.

### Index of Industrial Production (“IIP”) recorded a stable growth since FY2022

Post pandemic, industrial activity in the country started picking up from June 2021 and continued its momentum through FY2022 – FY2024 with industrial output recording a sharp growth across all the constituent sectors (general, electricity, manufacturing and mining) in the last three consecutive years. IIP data, that is updated till December 2023, indicates 3.9% growth for the manufacturing sector. Going forward, as majority of the available high frequency indicators (domestic air traffic, unified payments interface volume, etc.) recorded an improved YoY performance in January 2024, IIP is expected to grow between 4-6% in FY2024.

India - IIP by sectors, FY2016 - FY2024\*



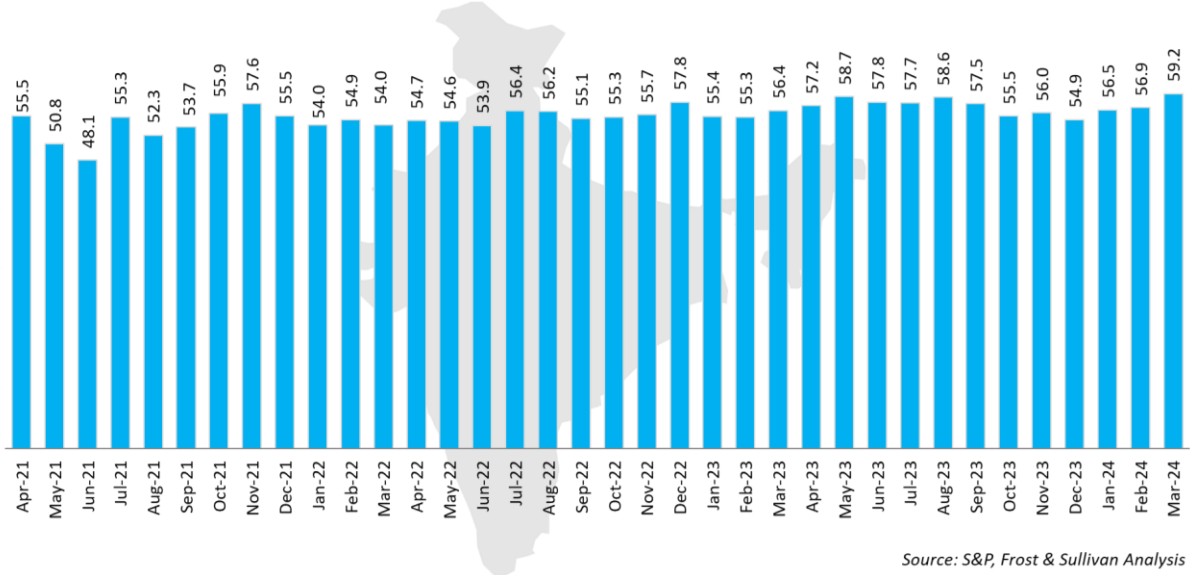
\*IIP data updated up to December 2023

Source: MoSPI (Annual Estimates of GDP at constant price, 2011-12 series); RBI (Reserve Bank of India); Frost & Sullivan Analysis

### Indian manufacturing purchasing managers’ index (“PMI”) is the highest among the large economies – steady expansion in manufacturing activities since the contraction in June 2021

Manufacturing PMI reached the maximum reading of 58.7 in May 2023, the strongest improvement in factory activity since October 2020, boosted by increase in demand. Output growth was at a 28-month high, new orders expanded for the 23<sup>rd</sup> month running, with the rate of increase steepest since January 2021, and both overseas orders and employment increased the most in six months. However, the manufacturing PMI fell to an 18-month low of 54.9 in December 2023 before recovering to 56.5 in January 2024. This was due to weaker new orders, lower output, fading demand for certain types of products and slower growth in export orders.

### Indian manufacturing PMI, April 2021 – March 2024

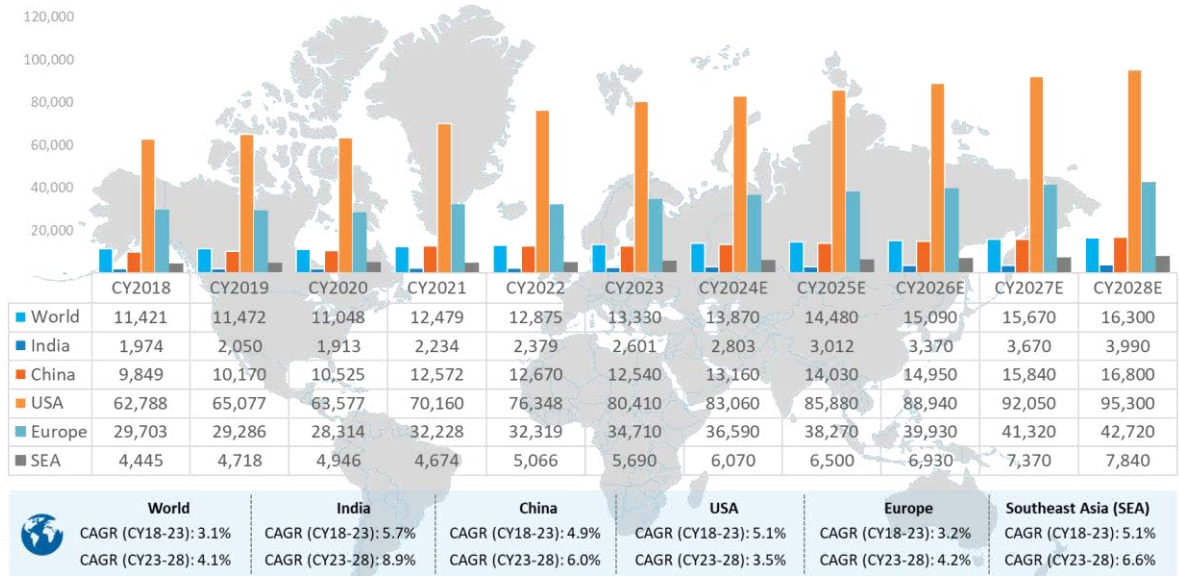


### India’s per capita income is only one fifth of the global average, however, growing at a steady pace

Per capita income is a broad indicator of the prosperity of an economy. Consumer confidence and discretionary consumption both improve with the rising per capita income.

#### India vs. Global – Per capita income of India vs leading economies

(USA, China, Europe and Southeast Asia), value in USD, CY2018 – CY2028E



India’s per capita income in CY2023 was USD 2,601 and is considered a lower middle-income country. For India to become a middle-income country, its per capita income needs to grow by almost 2.3 times to USD 6,100. Even though India’s per capita income has grown by almost 100% since FY2015, wealth distribution among India’s 1.4 billion people remains highly skewed. Equitable access to healthcare, quality education, and jobs would be critical for India to deliver sustained growth in per capita income. Global average per capita income in CY2023 was 5.1 times higher than India at USD 13,330. CY2023 per capita income of USA, Europe, and China was USD 80,410, USD 34,710, and USD 12,540 respectively.

India in the last few years has seen a significant expansion of middle-class households. Robust economic development, growing population, relatively slower aging, and rising income levels coupled with urbanization would result in nearly 400 million additional middle-class and high-income population being added to the

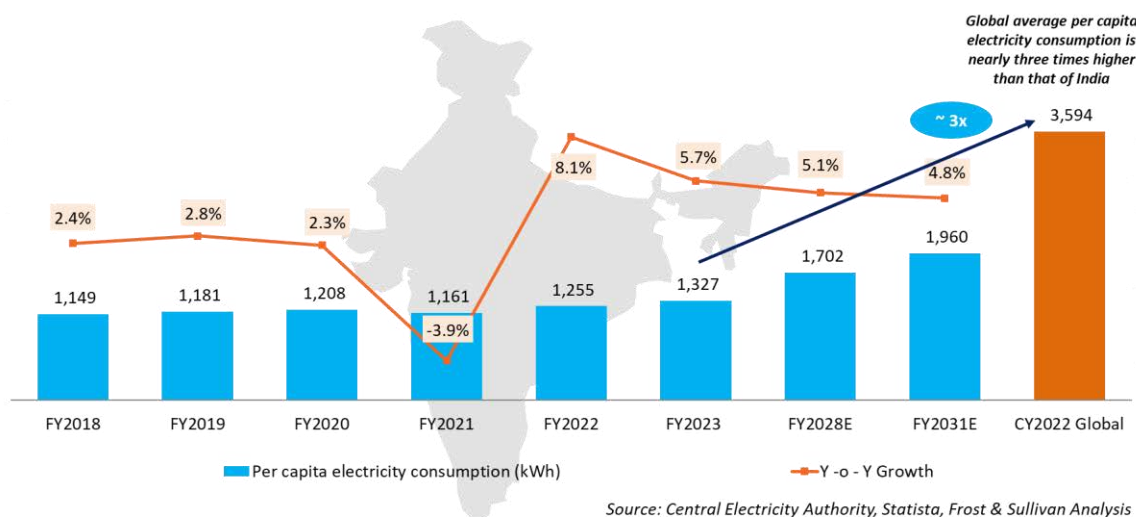


country's economy by FY2031, effectively pushing the share of upper middle class and high-income earners to nearly 58% of the population by FY2031 – this in turn would drive the growth in per capita income of the country.

**India's per capita electricity consumption recorded healthy growth in the last two years and is expected to reach approximately 2,000 kWh by FY2031**

India's per capita electricity consumption has steadily increased from 1,149 kWh in FY2018 to 1,327 kWh in FY2023 – this is approximately one third of the global average of 3,594 kWh at the end of CY2022. Per capita electricity consumption has grown at a healthy pace of 8.1% and 5.7% in FY2022 and FY2023. The reasons for such increase include electrification of the villages, heightened economic and manufacturing activities, and increasing penetration of various consumer durables products. Considering a historical average multiplier of 0.8 with GDP growth, per capital electricity consumption may cross 1,700 kWh by FY2028 and may touch 2,000 kWh by FY2031.

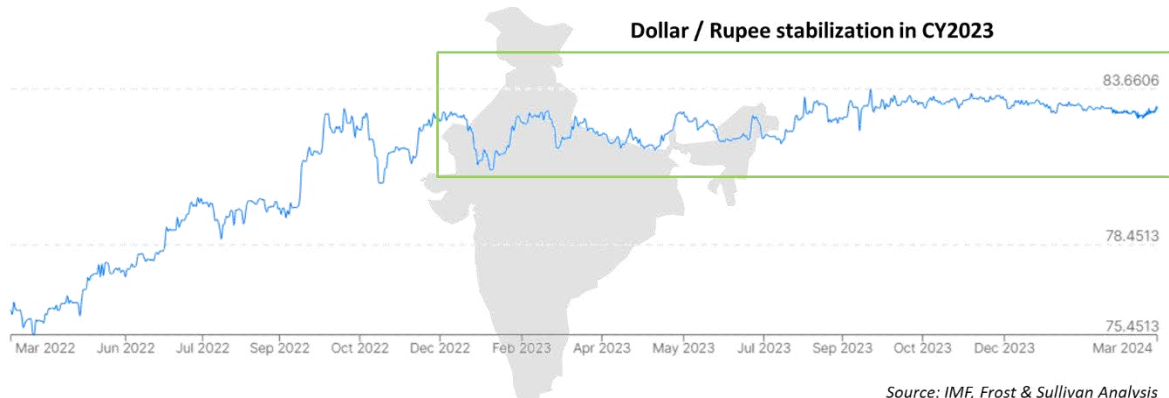
**Per capita electricity consumption and growth, in kWh and %, FY2018 – FY2023**



**Indian Rupee has shown remarkable stability in the last one year**

The Indian rupee has maintained a remarkably stable position in the foreign exchange market in CY2023 due to the narrowing current account deficit and strong economic fundamentals. Amid the International Monetary Fund's reclassification of the exchange rate regime to a stabilized arrangement from floating for the period from December 2022 to October 2023, the Indian rupee has maintained a remarkably stable position in the foreign exchange market. In the last four months of CY2023, there has been a further drop in fluctuations in the dollar/rupee exchange rate. The average daily trading range for the Indian currency has contracted from 20 paise in the first half to a mere 9 paise in the last three months of CY2023. This stability is represented by the horizontal appearance of the dollar/rupee graph in the below chart, suggesting a consistent and controlled exchange rate. This in turn would help the companies that are exposed to global markets for raw materials and sales of their products and services.

**Dollar / Rupee exchange rate, March 2022 – March 2024**



## **India is now emerging as a global manufacturing hub**

In FY2023, India recorded merchandise export of USD 451 billion (₹36 trillion) and is well on course to record highest ever merchandise export of USD 495-500 billion (₹41 trillion) in FY2024. It is well on its course to become a global manufacturing hub with the potential to export goods worth USD 1 trillion by CY2030. The manufacturing sector plays a significant role in the Indian economy, accounting for 17% of GDP and employing more than 62 million people. The Indian government plans to increase the share of manufacturing in the economy to 25% by CY2025 through the implementation of various programs and policies. Government of India has undertaken various steps to promote the manufacturing sector and to boost domestic and foreign investments in India. These include the introduction of a Goods and Services Tax, the reduction in corporate tax, the introduction of Production Linked Incentive (“**PLI**”) schemes for various sectors, interventions to improve ease of doing business, FDI policy reforms, measures for reduction in compliance burden, policy measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme, to name a few. An institutional mechanism to fast-track investments is also in place, in the form of Project Development Cells (“**PDCs**”) in all concerned Ministries/Departments of Government of India.

Keeping in view India’s vision of becoming ‘Atmanirbhar’ and to enhance India’s manufacturing capabilities and exports, the Indian government has announced an outlay of ₹1,995 billion for implementing PLI schemes for 14 key manufacturing sectors. With the announcement of such PLI schemes, significant creation of production, skills, employment, economic growth and exports is expected over the next five years and more. The reforms taken by Government have resulted in increased FDI inflows in the country. FDI inflows in India steadily increased from USD 45.2 billion in FY2015 to USD 84.8 billion in FY2022, the highest ever for the country. The total FDI inflows received in FY2023, which includes equity inflows, reinvested earnings and other capital sources amounted to USD 71.0 billion.

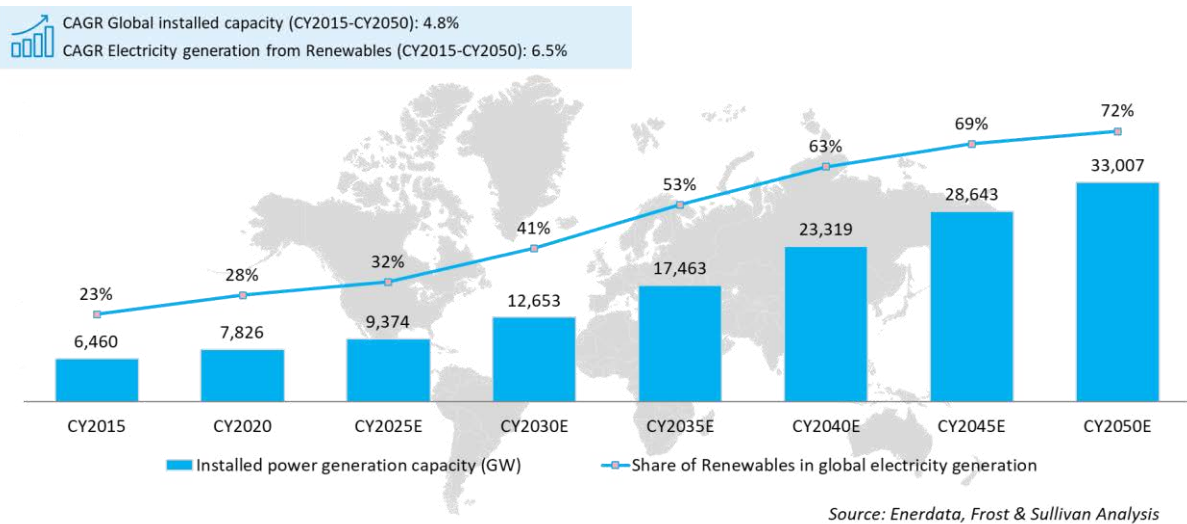
## **OVERVIEW OF THE INDIAN POWER SECTOR**

**Global installed power generation capacity is expected to grow four folds by CY2050 – nearly 75% of the electricity to be generated from renewables by CY2050**

As per the latest data available, global installed power generation capacity has reached 8,511 GW at the end of CY2022. The Asia-Pacific region accounts for approximately 40% of this installed capacity, followed by 22% for North America and 18% for Europe. India accounts for approx. 5% of global installed power generation capacity at the end of CY2022. Global installed power generation capacity is expected to grow at 4.8% CAGR till CY2050 to reach approximately 33,000 GW. Nearly three-quarters of this capacity would be added through renewable sources.

Share of renewables in global electricity generation is expected to increase from 28.5% in CY2020 to 72.3% by CY2050 – from approximately 5,700 Terawatt-hour (“**TWh**”) in CY2020 to 51,000 TWh in CY2050 at a CAGR of 6.5%. Global annual renewable capacity additions increased by almost 50% to nearly 510 GW in CY2023, the fastest growth rate in the past two decades. In India, share of renewables in electricity generation stands at 21.3% in FY2024 (till January 2024). As per the climate actions presented by the Indian government during COP-26, 50% of the country’s energy requirement would be met from renewable sources by CY2030.

## Growth in global installed power generation capacity and share of renewables in electricity generation, CY2015 – CY2050



### India is the third largest power producer and consumer globally

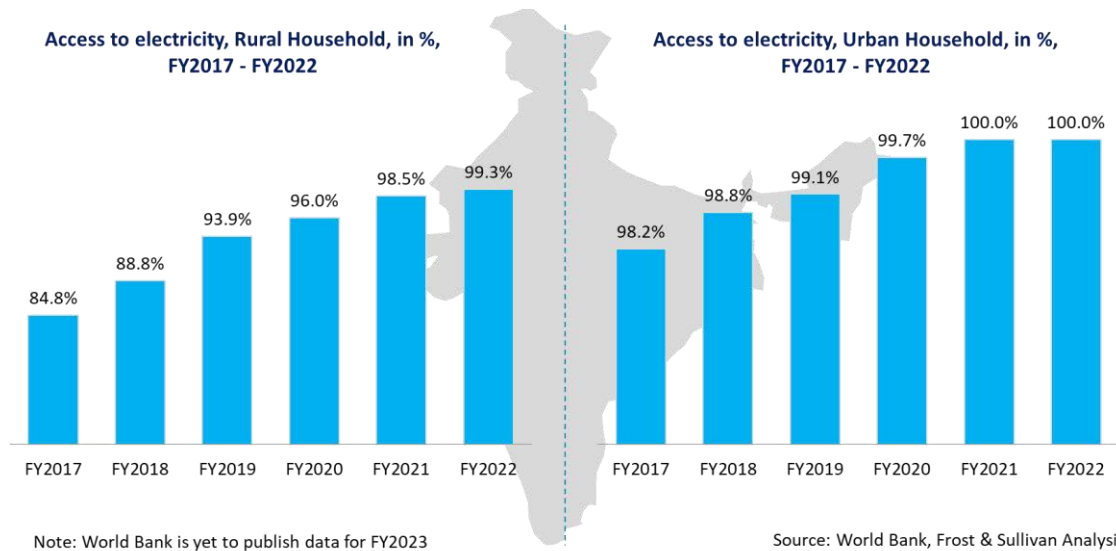
With 416 GW installed generation capacity at the end of FY2023, India is the third-largest producer and consumer of electricity globally – the capacity is expected to reach 622 GW by FY2028. Power generation capacity has grown more than 100-fold since independence and growth in electricity demand has been even higher due to heightened economic activities. As a result, India’s energy companies have made substantial progress in the global energy market.

India is making a big shift from coal to renewable energy primarily through solar power. The Government has set an ambitious goal of 500 GW renewable energy capacity by CY2030, out of which 300 GW would come from solar. To achieve this, the Government has allocated USD 885 million (₹73,270 million) for solar power projects in its FY2024 budget. This includes grid-connected solar, off-grid solar applications, and the *Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahaabhiyaan* (PM-KUSUM) program which promotes solar pumps for farmers. Additionally, the Government plans to replace 81 coal plants with renewable energy sources by CY2026. This move towards cleaner energy sources is a positive step for India’s future. With these plans from the Government, solar is estimated to be the major contributor to the Indian power sector in the coming years. Given India’s focus on net-zero carbon emissions and innovative collaborations with international organizations and countries, the steps taken towards energy transition should lead to a greener future for the country.

### Electricity has reached nearly all households in India

Power is among the most critical components of infrastructure, crucial for the economic growth, industry, and welfare of nations. The Indian government has made significant efforts over the past decades to turn the country from one with a power shortage to one with a surplus by establishing a single national grid, fortifying the distribution network and achieving universal household electrification.

#### Access to electricity, in % of household, Rural and Urban India, FY2017 – FY2022



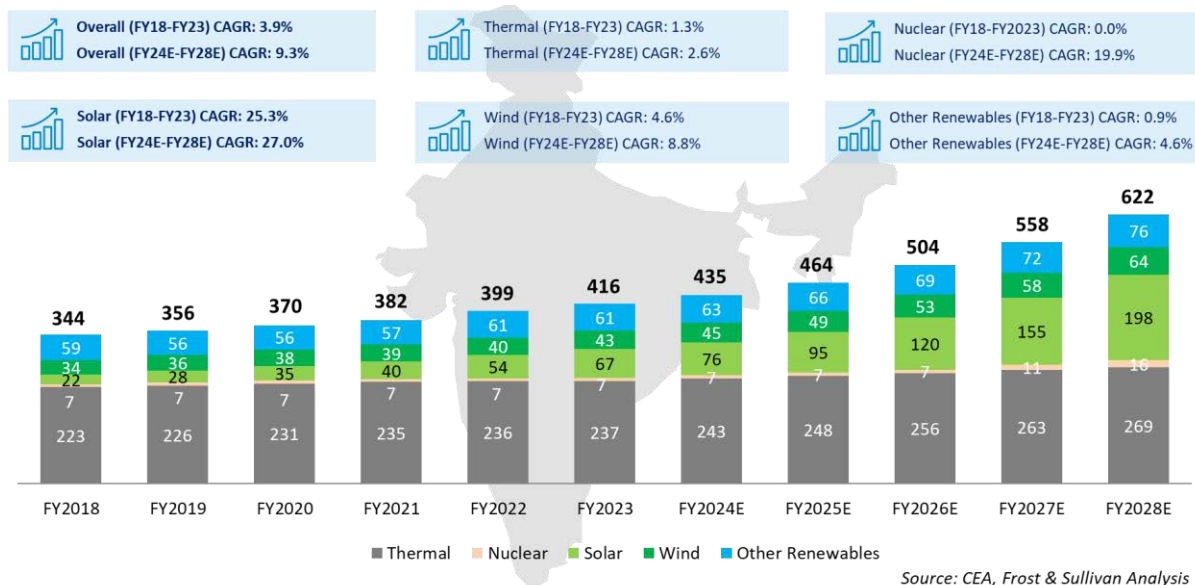
The objective of *Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)*, launched in October 2017, along with *Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY)* was to achieve universal household electrification across the length and breadth of the country. These programmes have successfully electrified 100% of urban households and 99.3% of Indian rural households at the end of FY2022 as per a report from the World Bank. The Government is further supporting States for electrification of any left-out households under the ongoing scheme of Revamped Distribution Sector Scheme.

**Installed power generation capacity in India is expected to cross 620 GW by FY2028 – Renewables to account for approximately 54% share of this installed capacity**

Installed power generation capacity in India and outlook

India had a total installed power generation capacity of 416 GW at the end of FY2023. Based on generation capacity addition plans of the Government and projects on ground, Frost & Sullivan estimates that an additional 206 GW of power generation capacity would realistically be added till FY2028, taking the country’s total installed power generation capacity to 622 GW. Approximately 63% of this capacity would be added through solar – this would take the country’s installed solar capacity from 67 GW in FY2023 to 198 GW by FY2028.

**All India installed power generation capacity by fuel sources, GW, FY2018 – FY2028E**



Thermal power accounts for 57% of the country’s installed capacity at the end of FY2023. Renewable energy including large hydro is the second biggest contributor with 41% share, out of which the share of solar is 16%. As

solar capacity additions will be accelerated in the coming years, this mix is expected to see a drastic change – share of solar may double to 32% by FY2028 while, share of coal may go down to 43%.

#### Generation capacity addition plans of the Indian government

**Thermal:** Thermal capacity additions would primarily be done through coal and lignite. As per the 20<sup>th</sup> Electric Power Survey, the peak electricity demand in the country is expected to reach approx. 295 GW by FY2028 and 366 GW by FY2032. In order to meet this demand, the Indian government has planned approx. 88 GW of thermal capacity additions till FY2032. Out of this, approx. 27 GW of thermal capacity is under construction, another 12 GW has been bid out and 19 GW is under clearance.

**Nuclear:** The Indian government has initiated steps to increase the country's nuclear power capacity from the current 7.5 GW to 22.5 GW by FY2032. At present, 23 nuclear power reactors are operational in the country. Construction and commissioning of 10 reactors totaling 8 GW is underway in the states of Gujarat, Rajasthan, Tamil Nadu, Haryana, Karnataka and Madhya Pradesh. In addition, pre-project activities of 10 more reactors have been initiated – these reactors will be commissioned by FY2032.

**Solar:** The Indian government has an ambitious plan to achieve 500 GW of clean energy by CY2030 out of which 300 GW will come from solar. Based on recent government announcements, it is projected that India's annual solar capacity additions will likely double over the next two to three years. MNRE launched a program to hold annual auctions for a massive 50 GW of renewable energy (“RE”) capacity. This substantial increase aims to rapidly expand India's clean energy infrastructure, 80% of this targeted capacity is specifically earmarked for solar power projects. Solar installed capacity in the country is expected to reach approx. 200 GW by the end of FY2028. As solar power is infirm in nature, Government has taken initiatives to ensure that RE power is available round-the-clock (“RTC”) through battery energy storage based bidding, pumped storage plants, etc.

**Wind:** After initial successes, the wind sector in India has not done well for the past seven to eight years with average annual capacity additions hovering around 1.5 GW. However, the Indian government in the last one and a half years has taken multiple steps to improve the wind power scenario in the country that include specific carve-outs for wind renewable purchase obligations (“RPOs”), revamping the auction mechanism for wind projects and carving-out 10 GW of exclusive tenders annually for wind projects. These projects are expected to drive at least 20 GW of wind capacity additions by FY2028.

#### Factors that will drive electricity demand in India

**Urbanization and industrialization:** Urbanization and industrialization are two critical drivers in boosting the country's electricity demand in the foreseeable future. As per the International Energy Agency's (“IEA”) India Energy Outlook 2021, over the period to CY2040, an estimated 270 million people are likely to be added to India's urban population. Urbanization underpins a massive increase in total residential floor space from less than 20 billion square meters today to more than 50 billion in two decades' time. Additionally, the growing middle class with rising disposable incomes is fueling demand for appliances and improved living standards, both of which necessitate increased electricity consumption. Further fueling the electricity demand is India's rapid industrialization. Modern factories rely heavily on electricity for machinery, lighting and climate control. As industries adopt automation and advanced technologies, their consumption increases even more creating a ripple effect, with increased demand for electricity through other sectors.

**Government initiatives:** The Government's initiatives such as ‘Make in India’ and related schemes like the PLI and *Aatmanirbhar Bharat Abhiyaan* have significantly bolstered industrialization in the country. Electrification of railway tracks by Indian Railways would also create domestic market opportunities. These initiatives are anticipated to boost domestic manufacturing, further amplifying electricity consumption. As part of their China+1 strategy, many global manufacturing majors are exploring setting up their manufacturing units in India to cater to both local and export demand. As per the IEA, the industrial sector currently uses the most energy in the country and its share is expected to rise from 36% today to 41% by CY2040. Several other Government initiatives like the National Infrastructure Pipeline and Saubhagya scheme are expanding access to electricity across the country.

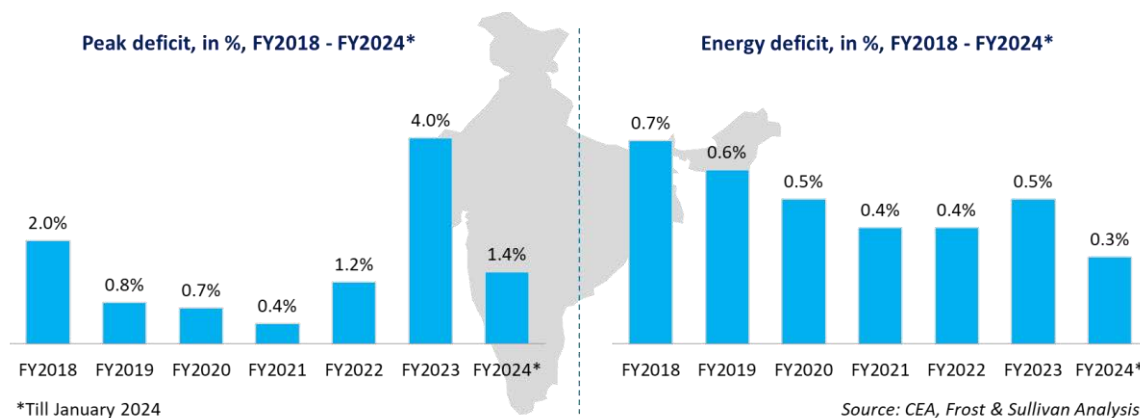
**Electric vehicle (“EV”) charging infrastructure:** India has committed to achieving carbon neutrality by CY2070, with widespread promotion and adoption of EVs being a key strategy. This move aims to reduce India's dependence on foreign fossil fuels and address the critical issue of air pollution. As per an article from the Economic Times, the country is likely to have 10,000 public charging stations by CY2025 and would require 2 million charging stations by CY2030 to complement the EV sales till that time. This will create an additional electricity demand of four to five billion units in the country.

**National hydrogen mission:** Launched in August 2021 by the Indian government, the mission aims to produce 5 million metric ton (“MMT”) of green hydrogen by CY2030 with an estimated investment of ₹8 trillion. Approximately 125 GW of RE would be required to produce 5 MMT of green hydrogen.

**Peak demand in the country is expected to reach 366 GW by FY2032 – however, India will have more than 800 GW of base load and RE to meet this demand**

Indian power sector has seen a huge turnaround with peak power deficit reaching from 16.6% in FY2008 to 0.4% in FY2021. However, the peak deficit has reached higher levels of 1.2% in FY2022 and 4.0% in FY2023. Sudden spike in electricity demand during the monsoon months and inadequate firm capacity additions in the recent years may have caused this higher peak deficit. To mitigate the situation, the Indian government has decided to add nearly 88 GW capacity of base load thermal power plants to meet 295 GW and 366 GW of peak power demand by FY2028 and FY2032, respectively. Besides, converting the RE plants to RTC plants would also mitigate the risks of higher deficits in the coming years.

**Peak deficit and Energy deficit in India, in %, FY2018 – FY2023**



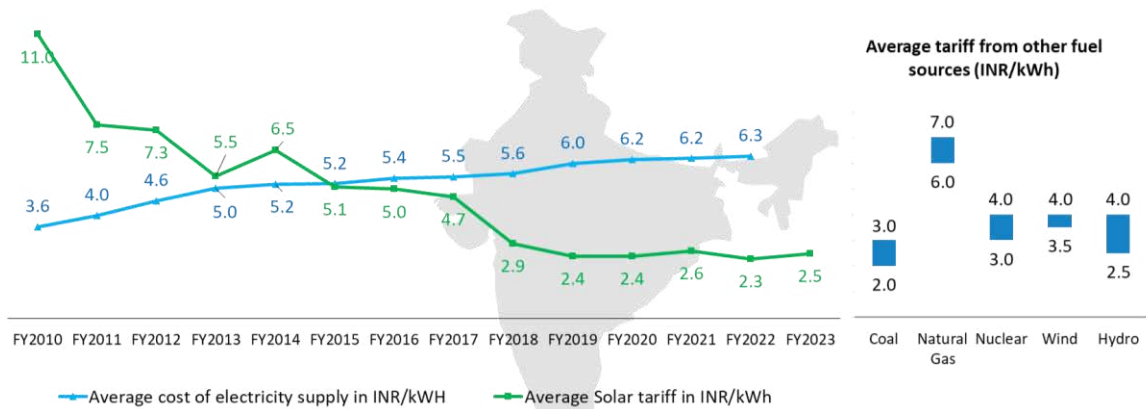
Energy deficit on the other hand has shown a more consistent trend and remained within 0.4% - 0.7% between FY2018 – FY2023. Energy requirement of the country in FY2023 was 1,513 billion units and the country’s power generating stations and grid were able to supply 1,506 billion units. Energy deficit has further gone down to 0.3% in the first 10 months of FY2024.

**Solar has the lowest tariff rates across fuel sources in India**

Average cost of electricity supply (“ACS”) indicates a simple average cost to supply electricity to the consumers. The below chart indicates that ACS has steadily increased from ₹3.6 / kilowatt hour (“kWh”) in FY2010 to ₹6.3 / kWh in FY2022. However, average solar tariff during the same period demonstrated an opposite trend – with higher adoption, the tariff has steadily decreased since FY2010 and now stabilized between ₹2.4 / kWh and ₹2.6 / kWh in the last five years. Comparing all types of fuel sources, average solar tariff in the country is even lower than many thermal power plants – this indicates a sustainable and viable future for solar energy in the coming years.



### Average cost of electricity supply and average Solar tariff, ₹/kWh, FY2010 – FY2023



Source: Statista, Mercom, Frost & Sullivan Analysis

## INDIA’S ENERGY TRANSITION TO SOLAR AND REGULATORY POLICIES

### Solar energy is a core pillar of India’s low carbon development strategy and a key enabler for Net Zero achievement by CY2070

India has been at the forefront in taking actions for combating climate change while meeting its development and growth aspirations. Building upon the Prime Minister’s Panchamrit (five nectar elements) pledges at the 26<sup>th</sup> Conference of Parties (COP26) of the United Nations Framework Convention on Climate Change (“UNFCCC”) in Glasgow, including the target of net-zero emissions by CY2070, India updated its Nationally Determined Contributions (NDC) in August 2022 as follows:

- Meet 50% of India’s cumulative electric power installed capacity from non-fossil sources by CY2030.
- Reduce the emission intensity of GDP by 45% below CY2005 levels by CY2030.
- Put forward and further propagate a healthy and sustainable way of living based on the traditions and values of conservation and moderation, including through a mass movement for LiFE – Lifestyle for Environment as a key to combating climate change.

As India aspires to become carbon neutral by CY2070, low-carbon development of energy systems would be a critical contributor to this journey. To achieve this goal, India is aiming to rapidly expand its renewable energy capacity to 500 GW by CY2030 – Solar would account for 60% of this capacity or 300 GW and the same would be enabled through policy and financial incentives including solar park development, accelerated depreciation on investment, waiver on transmission charges and capital subsidy for residential solar roof-top and agricultural solar pumps.

### India is bestowed with 748 GWp of Solar energy potential

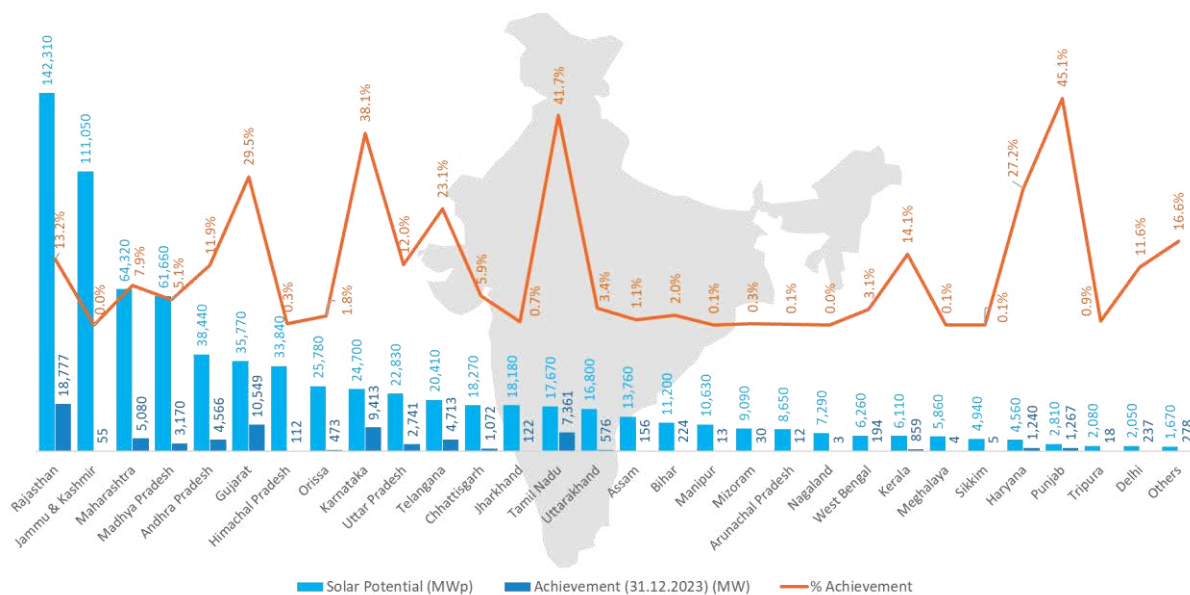
India is bestowed with vast solar energy potential. About 5,000 trillion kWh per year energy is incident over India’s land area with most parts receiving 4-7 kWh per square meter per day. Solar PV based power can be harnessed at a utility scale and also on distributed basis to meet demand for power, heating and cooling in both rural and urban areas. This also provides energy security in the current geopolitical scenario due to its abundant availability.

There has been a visible impact of solar energy in the Indian energy scenario – millions of people have benefitted from solar in Indian villages by meeting their cooking, lighting and other energy needs. Further, solar has emerged as the fastest growing power generation technology.

National Institute of Solar Energy (NISE) has assessed the country’s solar potential of about 748 GWp assuming 3% of the waste land area to be covered by solar PV modules. The top five states namely, Rajasthan, Jammu and Kashmir, Maharashtra, Madhya Pradesh and Andhra Pradesh account for approximately 56% of this potential. At the end of December 2023, India has harnessed roughly 10% of this potential or 73 GW. The top five states in terms of solar capacity additions in the country are Rajasthan, Gujarat, Karnataka, Tamil Nadu and Maharashtra – these five states account for 70% of the solar capacity additions till the end of CY2023.

In terms of percentage of potential achieved, Punjab leads the list with 45.1% achievement, followed by Tamil Nadu (41.7%), Karnataka (38.1%), Gujarat (29.5%) and Haryana (27.2%). These achievements support the country's vision of sustainable growth while ensuring the country's energy security.

### State-wise solar energy potential and achievement at the end of December 2023

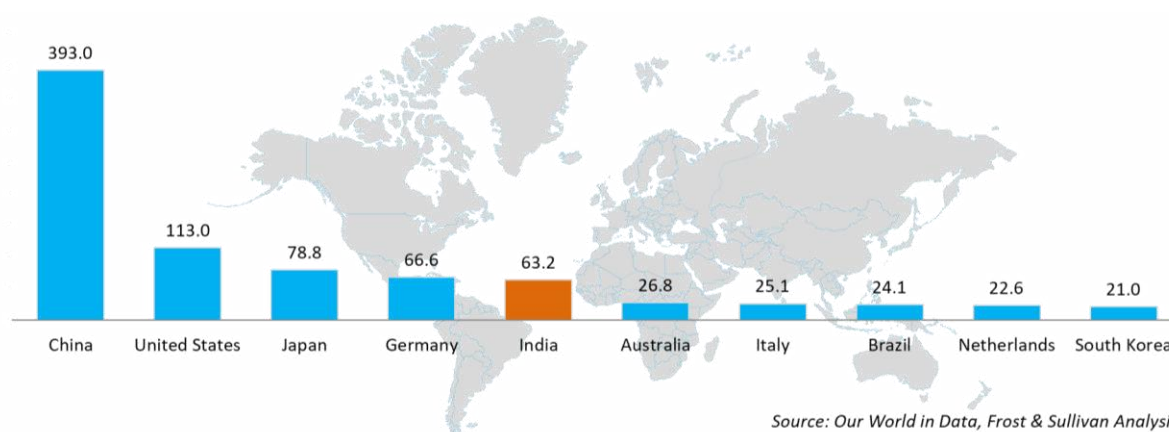


Source: Frost & Sullivan Analysis

### India stands at 5<sup>th</sup> position in solar PV deployment across the globe at the end of CY2022

With an installed solar capacity of 63 GW at the end of CY2022, India is the fifth largest solar energy country in the world. China, USA, Japan and Germany are the only four countries that are ahead of India in solar PV deployment. The country has vast solar potential, as most states of India receive sunshine for more than 300 days a year. To harness this potential, the Indian government is constantly churning out policies and initiatives that encourage the shift to solar among the population. The nation is also determined to reduce import dependence in the solar sector and build domestic manufacturing capabilities.

### Top 10 solar nations in the world, CY2022



Source: Our World in Data, Frost & Sullivan Analysis

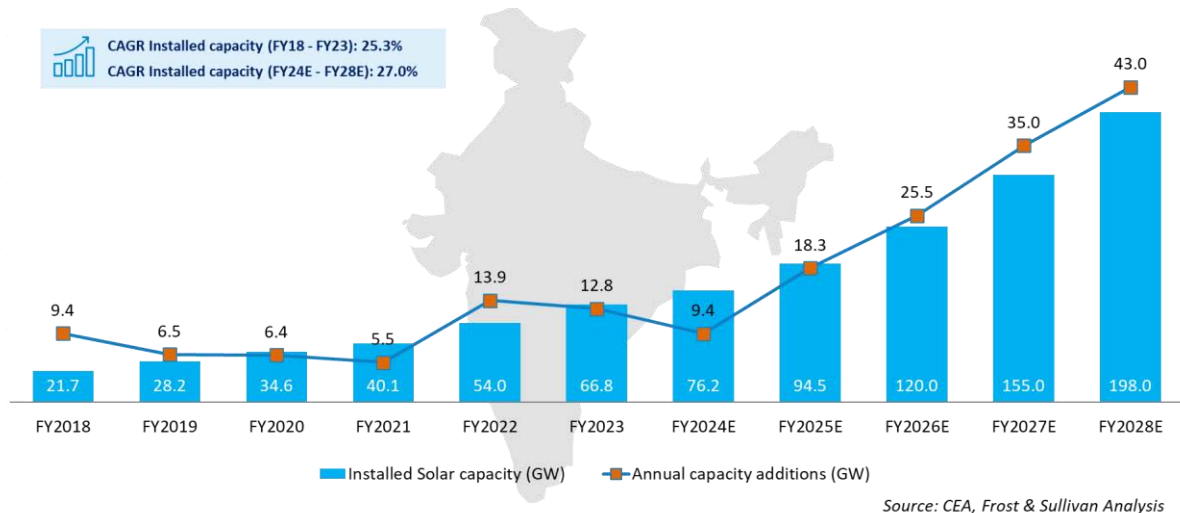
### India's solar installed capacity has grown three times in the past five years – the trend is likely to continue over the next 5 years

India's strategic location in the solar belt, spanning from 400 S to 400 N, positions it as one of the world's prime recipients of solar energy, boasting abundant availability throughout the year. The nation's commitment to solar energy is evidenced by a remarkable increase in installed solar capacity, which has grown by three times in the past five years – from 22 GW in FY2018 to 67 GW in FY2023. As per the latest data available with Central



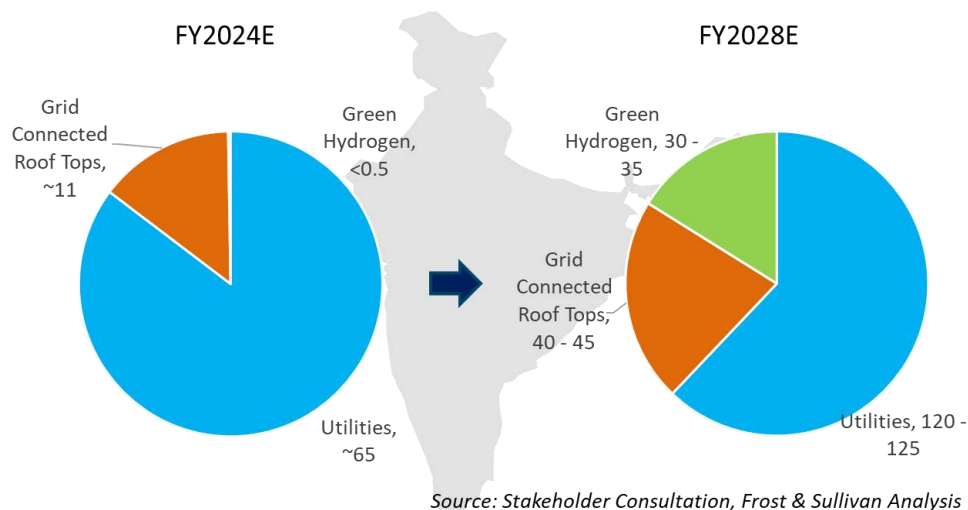
Electricity Authority, the installed capacity has further increased to 75.6 GW at the end of February 2024. The transition to solar energy has not only contributed to environmental sustainability but also yielded significant economic benefits. Based on various demand and supply side measures, as per Frost & Sullivan analysis, the country is well on course to achieve nearly 200 GW of solar capacity at the end of FY2028.

### Growth in solar installed capacity, India, GW, FY2018 – FY2028E



At the end of FY2024, more than 85% of the country’s installed solar capacity is through utility scale solar projects and the rest coming through grid connected roof tops. Production of green hydrogen is still at a nascent stage in the country and as per input from the industry experts, would be lower than 0.5 GW – GAIL and NTPC have recently started blending green hydrogen in the City Gas Distribution Grid. However, with government policies incentivizing roof top installation in the country and an increase in green hydrogen production in the coming years, the share of roof tops and green hydrogen is expected to increase to 20 – 22% and 15 – 17%, respectively.

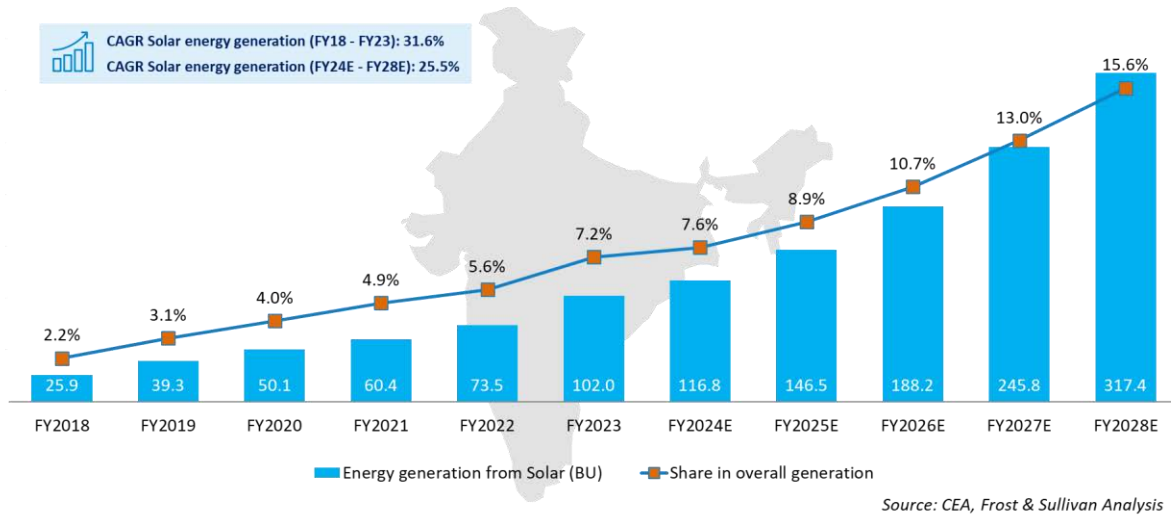
### Break up of installed solar capacity, FY2024E, FY2028E



### Electricity generation for solar has crossed 100 Billion Units (“BU”) milestone in FY2023 – share in the overall generation is expected to cross 15% by FY2028

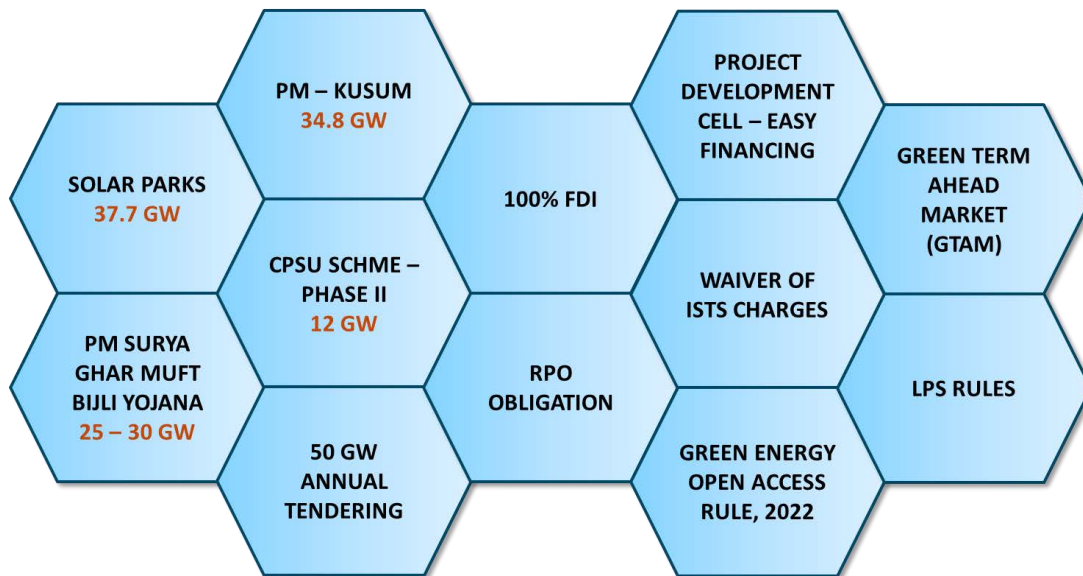
Electricity generation from solar energy has grown four folds between FY2018 and FY2023 to cross the 100 BU milestone. Share of solar in the country’s overall generation has increased from 2.2% to 7.2% during this period. As the country is gearing for capacity addition at an accelerated pace, solar energy generation is expected to cross 300 BU by FY2028 – accounting for more than 15% share in overall generation.

## Growth in solar energy generation, India, Billion Units (BU), FY2018 – FY2028E



Indian government has taken multiple policy initiatives to boost solar power generation and consumption in the country (Demand-side measures)

### Solar energy generation and consumption promotion measure at a glance

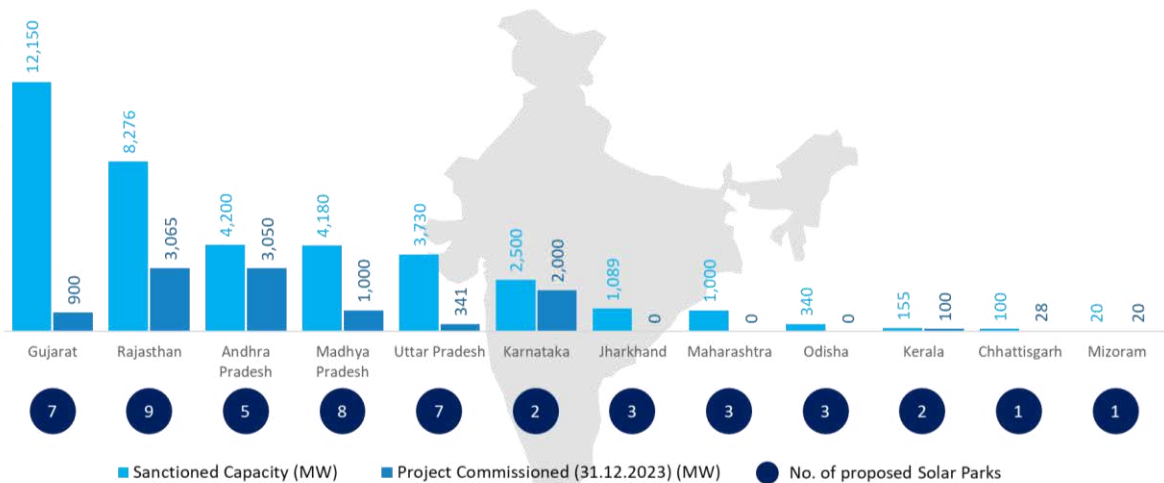


Source: Frost & Sullivan Analysis

#### Solar parks – 37.7 GW

This scheme underscores India’s commitment to solar energy, aiming to establish 51 solar parks, each 500 MW and above by 2025-26 (Source: MNRE), with a cumulative capacity of 37.7 GW. These parks serve as pivotal hubs for solar energy generation, stimulating investments and fostering an environment conducive to solar power development, thereby enhancing affordability and accessibility. As of December 2023, 20 solar parks with an approx. capacity of 10.5 GW have already been commissioned under this scheme.

### State-wise solar park sanctioned capacity and commissioned capacity, MW, December 2023



Source: MNRE, Frost & Sullivan Analysis

### PM Surya Ghar Muft Bijli Yojana – 25-30 GW

With an allocation of over ₹750 billion, the scheme aims to provide financial assistance through capital subsidies, facilitating the installation of rooftop solar panels and granting up to 300 units of free electricity every month to approximately 10 million households across India. The objective of this scheme is to reduce the electricity costs of households by installing rooftop solar panels and harnessing freely available solar energy. This scheme aims to decrease dependency on traditional energy sources and moving towards sustainable energy practices. The scheme exclusively requires the utilization of DCR solar modules. The government has proposed to provide the below subsidies for implementation of this programme:

- For up to 2 kW - ₹30,000 per kW
- For additional capacity up to 3 kW - ₹18,000 per kW
- Total subsidy for systems larger than 3 kW - Maximum ₹78,000

As per Frost & Sullivan analysis, this scheme is expected to generate 25 to 30 GW of rooftop solar installation opportunities over the next two to three years.

### PM-KUSUM Scheme – 34.8 GW

The main objectives of the *Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan* (PM-KUSUM) include the de-dieselization of the farm sector, providing water and energy security to farmers, increasing the income of farmers and curbing environmental pollution. The scheme has three components targeted to achieve solar power capacity addition of 34.8 GW by March 31, 2026 with total central financial support of ₹344 billion. The three components of the scheme are:

- **Component A:** Setting up 10,000 MW of decentralized ground/stilt mounted solar power plants on barren/fallow/pasture/marshy/cultivable land of farmers. Such plants can be installed by individual farmers, solar power developers, cooperatives, panchayats and farmers producer organizations.
- **Component B:** Installation of 1.4 million standalone solar water pumps in off-grid areas.
- **Component C:** Solarization of 3.5 million grid connected agriculture pumps through (i) individual pump solarization and (ii) feeder level solarization.

### Targets and Achievements under PM-KUSUM, November 2023

COMPONENTS	SANCTIONED	INSTALLED (30.11.2023)
COMPONENT A (MW)	4,766	141.3
COMPONENT B (NOS.)	971,471	278,114
COMPONENT C (NOS.)	IPS – 134,286 FLS – 2,912,466	4,594

Source: Frost & Sullivan Analysis

Solar water pumps are a clean, efficient, and sustainable solution that harnesses solar energy to pump water. Moreover, solar water pumps are environmentally friendly, reducing the carbon footprint associated with traditional pumping systems that rely on diesel or other fossil fuels. These pumps also require minimal maintenance due to fewer moving parts and the absence of internal combustion engines. Companies like Premier Energies offers solar water pumps under its EPC solutions. Premier Energies manufactures the solar modules and pumps are sourced from external vendors.

#### CPSU Scheme – Phase II – 12 GW

The CPSU Scheme Phase-II, also known as the Government Producer Scheme, is a significant initiative from the Indian government to promote domestic solar power generation and enhance energy security. Key features of the scheme are:

- **Financial assistance:** The scheme offers viability gap funding of up to ₹7 million per MW to incentivize participation and address project cost viability concerns.
- **Capacity target:** The scheme initially aimed to develop a total of 12,000 MW of grid-connected solar power capacity through plants set up by the eligible entities. While the deadline for the project commissioning has already passed, the scheme continues to be operational for unallocated projects.
- **Implementation:** The scheme is implemented through a competitive bidding process managed by the Solar Energy Corporation of India (“SECI”). Eligible entities can submit proposals for setting up solar power plants and SECI selects the most competitive proposals based on pre-defined criteria.

With government initiatives like the PM-KUSUM, *PM-Surya Ghar Muft Bijli Yojana* and the CPSU scheme in play, there is an emphasis on the utilization of DCR solar modules within the domestic solar market.

#### 50 GW Annual Tendering

India’s renewable energy push is receiving a major boost with the “MNRE - 50 GW bidding every year” initiative. This ambitious policy aims to significantly increase solar power generation capacity by setting a fixed annual target of 50 GW for bidding rounds. This predictable schedule fosters investor confidence and potentially leads to lower solar power prices through competition. The policy is expected to accelerate solar capacity growth, enhance energy security and create new jobs. With 80% of the annual target focused on solar, this initiative represents a major leap forward in India’s journey towards a cleaner and more secure energy future fueled by the sun.

#### 100% FDI

The Government of India’s FDI policy allows up to 100% FDI in renewable energy projects, including solar power generation and distribution. Under the Automatic Route, a non-resident investor or an Indian company does not require any approval from Government of India for the investment.

#### RPO Obligation

The Declaration of trajectory for Renewable Purchase Obligation (RPO) up to the year FY2030 is a key policy implemented by the Indian government to promote renewable energy, specifically focusing on solar power. The declaration defines a gradual increase in the RPO percentage for each state over the years until FY2030 and imposes penalties in case of non-compliance. This provides clarity and certainty for investors and developers in the renewable energy sector, allowing them to plan their investments with confidence. By creating a guaranteed market, the RPO encourages developers to invest in solar and other renewable projects, leading to an increase in

generation capacity. Diversifying the energy mix by increasing the share of renewables reduces dependence on imported fossil fuels and enhances energy security.

### PDC

PDC helps investors get into the Indian market for solar power projects. The PDC's members include officials from regulatory authorities and public sector undertakings. The cell offers a range of services aimed at promoting solar energy investment and facilitating project development. It disseminates comprehensive information on solar policies, investment opportunities, feasibility studies and success stories. Additionally, it provides support in navigating regulatory processes, land acquisition and grid connectivity issues. Through conferences, roadshows and investor meets, it conducts investor outreach activities to attract domestic and international investment. This has enabled easier solar project financing through lending institutions such as IREDA, PFS, green bonds, etc. The cell also facilitates project matchmaking by connecting investors with potential developers, consultants and other stakeholders. Furthermore, it advocates for the solar sector, promoting investment opportunities and addressing investor concerns with relevant government bodies.

### Waiver of Inter-State Transmission System (“ISTS”) charges

In March 2023, the Central Electricity Regulatory Commission (“**CERC**”) amended the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. This amendment waives ISTS charges for renewable energy and pumped hydroelectric projects that begin commercial operations by June 30, 2025. The waiver also applies to any solar, wind or other sources eligible for waiver of inter-state transmission charges, which are scheduled to be commissioned on or before June 30, 2025.

### Green Energy Open Access Rules, 2022

Green Energy Open Access Rules, 2022 (Green Open Access Rules) is a policy aimed at facilitating the purchase of renewable energy by large consumers directly from generators, bypassing the traditional distribution network.

Key provisions of the rules are:

- **Minimum consumption threshold:** Only large consumers with a minimum contract demand or sanctioned load (typically 100 kW or more) can avail of Green Open Access.
- **Streamlined process:** The rules aim to simplify the process for obtaining approvals and entering into agreements for direct purchase of renewable energy.
- **Green certificates:** Consumers who purchase renewable energy through Green Open Access are eligible for green certificates, which can be used to meet their RPOs.

Benefits for solar power are:

- **Increased demand:** By creating a new market segment for large consumers, the policy can significantly increase demand for solar power.
- **Economic advantages:** Large consumers might benefit from potentially lower prices through direct purchase and avoid some distribution charges.

### Green Term Ahead Market (“GTAM”)

The GTAM is a platform that allows bulk buyers of electricity to purchase RE on a short-term basis. The GTAM allows buyers such as corporates and discoms (distribution companies) with a contracted load of 1 MW or more to purchase RE from sellers such as merchant RE projects or discoms with surplus RE. The GTAM features contracts such as Green-Intraday, Green-Day-ahead Contingency, Green-Daily and Green-Weekly. The GTAM enables transactions between buyers and sellers through bilateral trading. There are four types of short-term contracts that are covered under the GTAM – Intra-day contracts, Day-ahead contracts, Daily contracts and Weekly contracts.

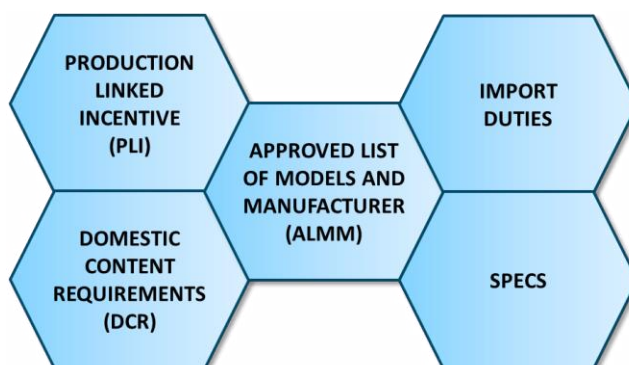
### Late Payment Surcharge

The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 aim to tackle delayed payments by discoms to generators and transmission companies. Additionally, the rules establish a clear timeline for settling outstanding dues, promoting transparency in billing and payments. This not only improves cash flow for all stakeholders but also minimizes disputes and creates a more predictable environment for investment, ultimately

benefiting solar power producers by ensuring timely payments and potentially attracting further investment in the sector.

**At the same time, a lot of policy measures have been initiated to boost domestic solar cell and module manufacturing industry (supply-side measures)**

#### Domestic solar manufacturing related measure at a glance



Source: Frost & Sullivan Analysis

#### Production Linked Incentive (“PLI”)

The Indian government has implemented the PLI scheme for national programme on high efficiency solar PV modules, for achieving manufacturing capacity on a GW scale with an outlay of ₹240 billion. The scheme offers incentives to selected solar PV module manufacturers on the manufacture and sale of high efficiency solar PV modules. The scheme is applicable for the first five years from the actual commissioning date or from the scheduled commissioning date, whichever is earlier. The objectives of the scheme include the following:

- To build up solar PV manufacturing capacity of high efficiency modules.
- To bring cutting-edge technology to India for manufacturing of high efficiency modules. The scheme will be technology agnostic however, the technologies that would yield better module performance will be incentivized.
- To promote setting up of integrated plants for better quality control and competitiveness.
- To develop an ecosystem for sourcing of local material in solar manufacturing.
- Employment generation and technological self-sufficiency.

The PLI Scheme is being implemented in two tranches as follows:

- **Tranche-I:** Under this tranche, IREDA, the implementing agency on behalf of MNRE for the PLI Scheme, issued letters of award (“LOA”) in November and December 2021 to three successful bidders for setting up of 8,737 MW capacity of fully integrated solar PV module manufacturing units with an outlay of ₹45 billion.
- **Tranche-II:** MNRE, on September 30, 2022, has issued guidelines for implementation of Tranche-II with an outlay of ₹195 billion. In this tranche, SECI, the implementing agency on behalf of MNRE, issued LOAs to 11 bidders in April 2023 for setting up 39,600 MW of fully / partially integrated solar PV module manufacturing units.

#### Domestic Content Requirements (“DCR”)

The DCR is a policy implemented by the Indian government that mandates a specific percentage of components including cells and modules used in solar power projects, particularly those funded by the government, to be sourced from domestic manufacturers. This percentage has been steadily increasing over the years and going forward, the 40% minimum domestic content requirement is set to increase annually, to 45% for projects starting construction in CY2025, 50% in CY2026 and 55% thereafter.

The DCR policy in India mandates the use of domestically manufactured components in specific government-funded projects. This policy aims to boost domestic manufacturing, create jobs, and reduce dependence on imports. In August last year, the Ministry waived off domestic requirement norms for projects awarded on or before June 20, 2023. However, not all sectors are subject to DCR and certain exemptions exist. DCR is applicable for grid-connected solar power plants, rooftop solar installations on government buildings and off-grid solar solutions. The DCR policy serves the following benefits to the Indian solar cell and Module manufacturers:

- **Guaranteed market:** DCR acts as a powerful market driver by ensuring a guaranteed demand for domestically produced solar cells and modules. This provides manufacturers with the confidence and stability needed to invest in setting up new facilities, expanding existing ones and adopting advanced technologies. This leads to a significant increase in overall domestic manufacturing capabilities.
- **Reduced competition:** By making imported components less competitive, DCR fosters a level playing field for domestic manufacturers. This reduces the threat from cheaper imports, allowing Indian companies to establish themselves in the market and improve their competitiveness through economies of scale and technological advancements.
- **Technology development:** DCR incentivizes manufacturers to invest in research and development activities to enhance the efficiency and quality of their products. This not only helps them compete effectively in the domestic market but also positions them for global competition, fostering technological innovation and a future-proof industry.

As per a recent briefing, the Indian government is planning to set up data repository of India made solar modules. The objective of this initiative is to check imports and ensure adherence to domestic content rules for solar projects under central government schemes.

#### ALMM

The ALMM program establishes a pre-approved list of reliable PV modules and cell manufacturers. This program ensures quality and efficiency of solar installations in India by requiring developers and investors to source their equipment from ALMM-listed vendors. By promoting high-quality domestic and imported products, ALMM fosters trust and encourages the adoption of reliable solar solutions throughout the country. ALMM policy became effective from April 1, 2024 and as per the latest list published by MNRE, the ALMM list still does not have any foreign manufacturer.

#### Import Duties

India levies various duties on imported solar cells and modules, effectively acting as a protective shield for domestic manufacturers. These duties are applied irrespective of the origin country thus making domestically produced solar cells and solar modules more attractive to domestic solar players.

**BCD:** This tax levied on the customs value of imported cells and modules significantly impacts affordability. 40% BCD is imposed on imported solar modules and a 25% BCD on solar cells. This policy decision directly increased the cost of imported modules shifting demand towards domestic alternatives. BCD plays a crucial role in driving domestic solar manufacturing industry through:

- **Cost competitiveness:** By raising the cost of imported components, duties tilt the scales in favor of domestic manufacturers, making their products more financially attractive to project developers. As seen with the BCD implementation, this can lead to increased demand for domestic products, stimulating domestic production.
- **Investment incentive:** The higher costs associated with imported products make it more profitable to invest in and establish domestic solar manufacturing units. This in turn attracts investments into the sector, leading to growth in production capacity and creation of jobs.

#### SPECS

The SPECS, formerly known as the Modified Electronics Manufacturing Scheme with Focus on Fab and Semiconductor, is a key driver for solar module and cell manufacturing in India.

- **Financial incentives:** SPECS offers a financial incentive of 25% on the capital expenditure for establishing or expanding facilities that manufacture electronic components, including those used in



solar modules and cells. This financial support can significantly reduce the upfront investment costs for manufacturers, making it more attractive to set up or expand production facilities in India.

- **Focus on supply chain development:** SPECS aims to strengthen the entire electronics manufacturing ecosystem in India, including the semiconductor and electronic components sectors. This indirectly benefits solar module and cell manufacturers by creating a more robust domestic supply chain for critical components. Previously, manufacturers might have relied heavily on imported components, leading to potential supply chain disruptions and higher costs. A stronger domestic supply chain fostered by SPECS can ensure easier access to these components and potentially more competitive pricing.
- **Technological advancements:** SPECS can potentially encourage advancements in related technologies that can benefit the solar industry. For example, innovations in semiconductor materials or fabrication processes could lead to the development of more efficient solar cells.

### Comparison between PLI and SPECS

Parameters	Production Linked Incentive (PLI) Scheme	Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)
<b>Model</b>	Production linked model	Capex linked model
<b>Target</b>	Boost domestic manufacturing across various sectors	Strengthen domestic manufacturing ecosystem for electronic components and semiconductors
<b>Incentive</b>	Financial incentive based on a percentage of incremental sales of manufactured goods (varies by sector)	Financial incentive of 25% on capital expenditure for identified list of electronic components
<b>Applicability</b>	Existing and new manufacturing units across various sectors (e.g., automobiles, pharmaceuticals, solar modules)	New units, expansions, and modernization/diversification of existing units within the electronics sector
<b>Export Focus</b>	While the PLI scheme incentivizes domestic production, it often includes an export focus as well. Companies might be required to achieve a certain percentage of exports to avail of the full benefits.	The export focus in SPECS is less prominent compared to PLI. Since the scheme targets essential components, the primary objective might be to meet domestic demand and reduce dependence on imports.
<b>Pre-determined levels of integration</b>	Requires achievement of pre-determined levels of integration in the manufacturing process to qualify for incentives. This encourages domestic production of components and reduces reliance on imports.	Does not have a direct requirement for integration. SPECS focuses on incentivizing the creation of a domestic supplier base for the electronics industry, which can then be utilized by PLI participants to achieve their integration goals

Source: Frost & Sullivan Analysis

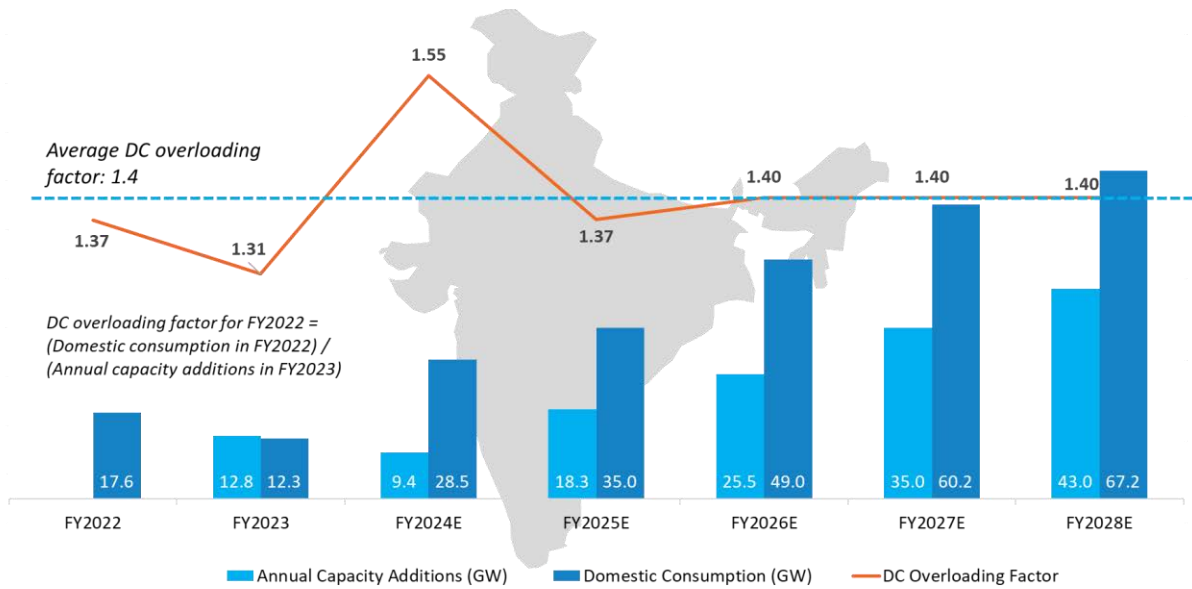
### SOLAR CELL AND MODULE MANUFACTURING SECTOR IN INDIA

#### The demand for modules and cells would be much higher than capacity additions due to direct current (“DC”) overloading factor

To reduce levelized cost of power, it is a common industry practice to pair inverters with over-sized DC module capacity. A 1 MW DC plant rarely produces 1 MW of power as solar modules operate at their maximum efficiency only during peak hours of noon and that too during select months of the year. DC overloading allows the plant to increase generation during non-peak hours. The chart below depicts the requirement for solar modules to meet domestic solar capacity addition targets.



## Solar capacity addition targets vs module requirements, GW, India, FY2022 – FY2028E

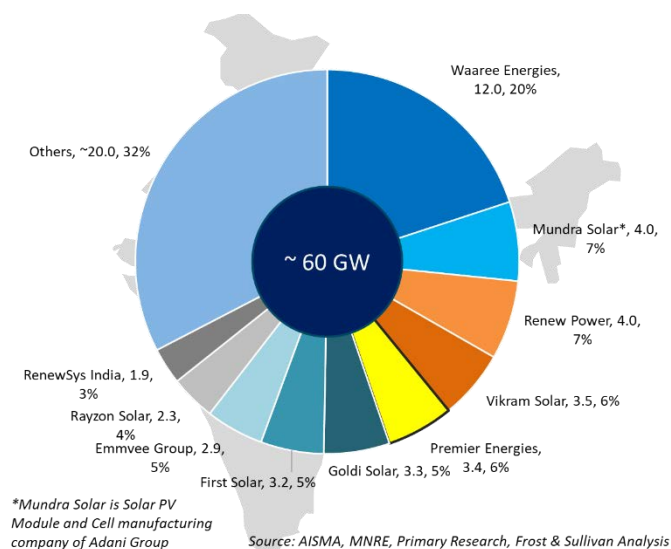


## Supply side measures have provided necessary boost to domestic solar module and cell manufacturing sector – Domestic solar module manufacturing capacity has crossed 60 GW in FY2024

Various supply side measures have put the Indian solar manufacturing sector on an accelerated growth trajectory in the last few years. With potential for solar power generation, India is actively developing its cell and module manufacturing capabilities. The country's module manufacturing capacity has crossed 60 GW mark in November 2023. This positions India as the third largest solar module manufacturer in the world after China and Vietnam.

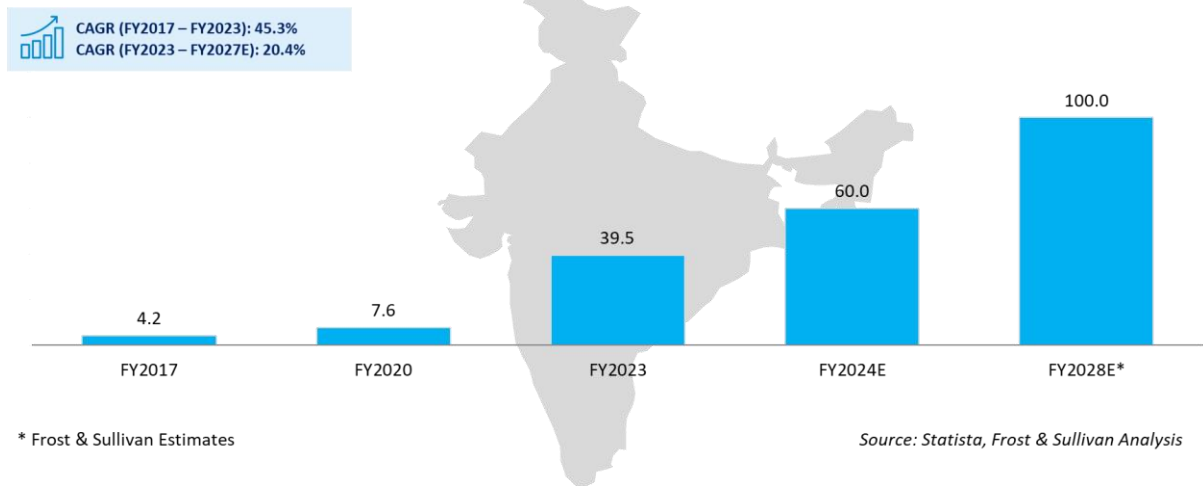
A recent announcement from All India Solar Manufacturers' Association (AISMA) suggests that there are over 100 solar module manufacturers in the country. The top 10 manufacturers have a cumulative manufacturing capacity of 40 GW and the same for the top 25 manufacturers stands at a little over 50 GW. The top 10 module manufacturers in the country are Waaree Energies, Mundra Solar, Renew Power, Vikram Solar, Premier Energies, Goldi Solar, First Solar, Emmvee Group, Rayzon Solar, and RenewSys India, in that order. Premier Energies, the fifth largest module manufacturer in India, had an annual installed capacity of 3.36 GW at the end of FY2024.

## Solar module annual installed capacity by companies, in GW and % share, India, FY2024



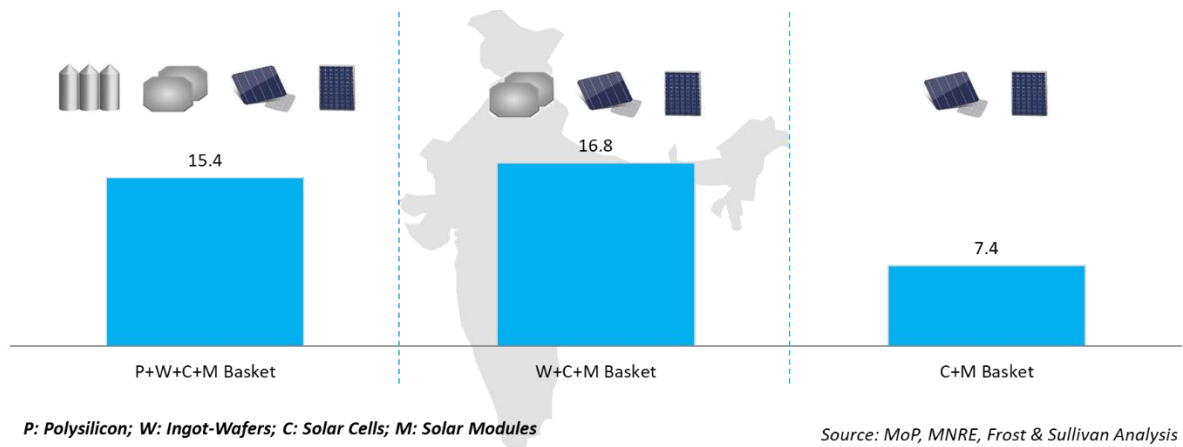
Since FY2017, India’s solar module manufacturing capacity witnessed a phenomenal increase, from 4.2 GW to 39.5 GW at the end of FY2023 at a CAGR of 45.3%. The capacity has further increased to 60 GW in FY2024 and may cross 100 GW by FY2028.

### Solar module manufacturing installed capacity trends, GW, India, FY2017 – FY2028E



The Indian government, under the PLI scheme, has allocated integrated module manufacturing capacity of 48.3 GW in two tranches with an outlay of ₹240 billion. Tranche – I of 8.7 GW was allocated during November – December 2021 and Tranche – II of 39.6 GW was allocated during April 2023. Manufacturing capacity totaling 7,400 MW is expected to become operational by October 2024, 16,800 MW capacity by April 2025 and the balance 15,400 MW capacity by April 2026.

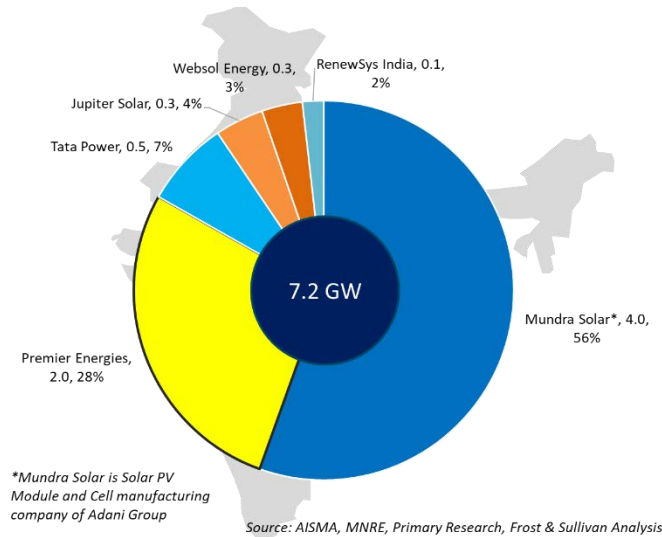
### Integrated capacity awarded under PLI Scheme (Tranche II)



**Country’s current solar cell manufacturing capacity stands at 7.2 GW and is poised for exponential growth over the next few years.**

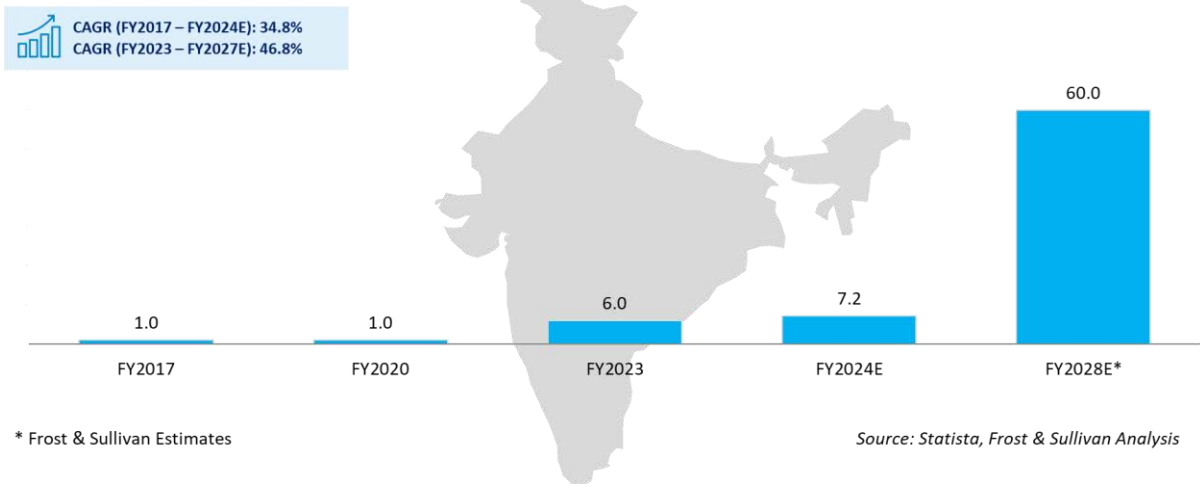
With a strong foundation in module production, India is poised to expand its cell manufacturing capacity which is currently at around 7.2 GW. This shortfall necessitates reliance on imported cells, which is a crucial component responsible for converting sunlight into electricity. While domestic production costs in India have decreased, China still leads in the cell manufacturing arena, benefiting from economies of scale and a well-established supply chain.

### Solar cell annual installed capacity by companies, in GW and % share, India, FY2024



At present, the country has a handful of companies involved in the manufacturing of solar cells. Mundra Solar, Premier Energies and Tata Power Solar are the leading solar cell manufacturers in India. As of the end of FY2024, Premier Energies is the second largest solar cell manufacturer in the country with an annual installed capacity of 2.0 GW. However, the scenario is changing fast. More than 15 companies are planning to set up various levels of integrated solar manufacturing plants including solar cells through the PLI scheme or on an independent basis. Most of these plants will be commissioned latest by FY2028 which will take India’s solar cell manufacturing capacity beyond 60.0 GW.

### Solar cell manufacturing annual installed capacity trends, GW, India, FY2017 – FY2028E



### There are a very few integrated solar cell and module manufacturing plants in India – Premier Energies is the second largest integrated manufacturer at the end of FY2024

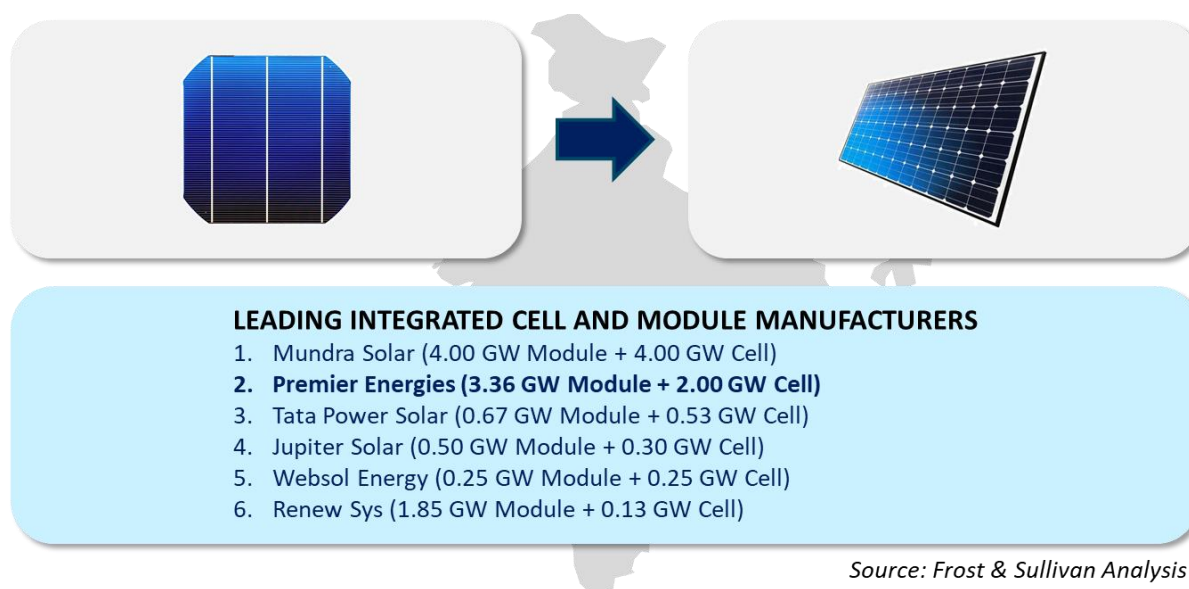
India’s solar energy sector is witnessing a surge in manufacturing capacity. A key observation is the limited number of integrated cell and module manufacturers. Cell manufacturing is a complex process requiring specialized expertise and this is reflected in the smaller number of companies operating in this space. With high entry barriers for any new entrants into the solar cell and solar module manufacturing industry owing to factors such as high capital expenditure, technical expertise and long lead times of approximately 15 to 18 months in order to establish a manufacturing line and approximately six to nine months to operationalize and stabilize their manufacturing lines and process, integrated structure and size of companies such as Premier Energies insulates them from new competitors for government initiatives and tenders.

Premier Energies, with 29 years of experience in the solar manufacturing industry, stands out as the second largest integrated player in India at the end of FY2024, boasting 2.0 GW of annual installed capacity for cell

manufacturing alongside its 3.36 GW of annual installed capacity for module manufacturing and having 28% share in the integrated installed capacity in the country at the end of FY2024.

Out of the current top 10 solar module manufacturers in the country, only 3 companies i.e. Mundra Solar, Premier Energies and RenewSys have integrated solar module and cell manufacturing facilities. While module manufacturing is more of an assembly process, cell manufacturing, on the other hand, is the most complex process in the solar manufacturing value chain with extensive utilities management. Cell manufacturing is exposed to multitude of risks and attracts three to four times higher investment. In spite of the associated risks and complexities involved, companies like Premier Energies invested in integrated solar cell and module manufacturing to gain greater autonomy on module prices and to tap the booming China+1 import market. Backward integration helped the company to gain access to domestic DCR module market, which requires solar cells and modules to be manufactured in India and additionally, resulting in greater cost control for the company and improved traceability of raw materials. Besides, the company's integrated status supports its overseas revenue streams especially from countries such as the United States where margins are usually higher than other export destinations.

#### Integrated solar module and cell manufacturing capacity, FY2024

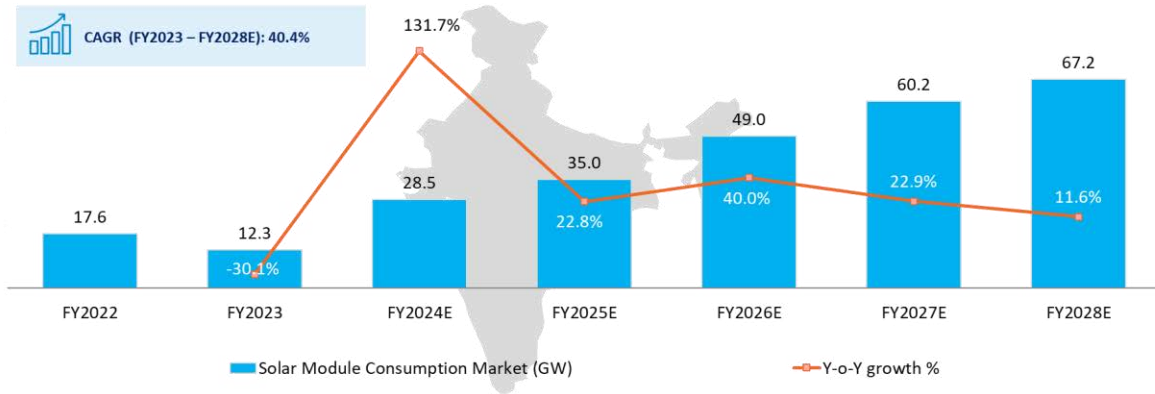


Additionally, Premier Energies is present in various steps along the solar power value chain from the manufacturing of solar cells to solar modules to providing EPC solutions, O&M services and being an independent power producer. It is one of the first in the Indian solar sector to engage in the backward integration of solar cell manufacturing with solar module production.

#### Indian solar module consumption market (volume) is poised to grow at 40% CAGR over the next 5 years

After a short dip in FY2023, the Indian solar module consumption market is all set for an accelerated growth over the next 5 years. In volume terms, the consumption of modules in FY2023 was 12.3 GW compared to 17.6 GW a year earlier. The market however bounced back in FY2024 and is expected to close at approximately 28.5 GW. The market is expected to grow further to 67.2 GW by FY2028 on the backdrop of accelerated solar capacity addition planned to achieve 300 GW installed capacity by CY2030.

### Indian solar module consumption market, GW, FY2022 – FY2028E



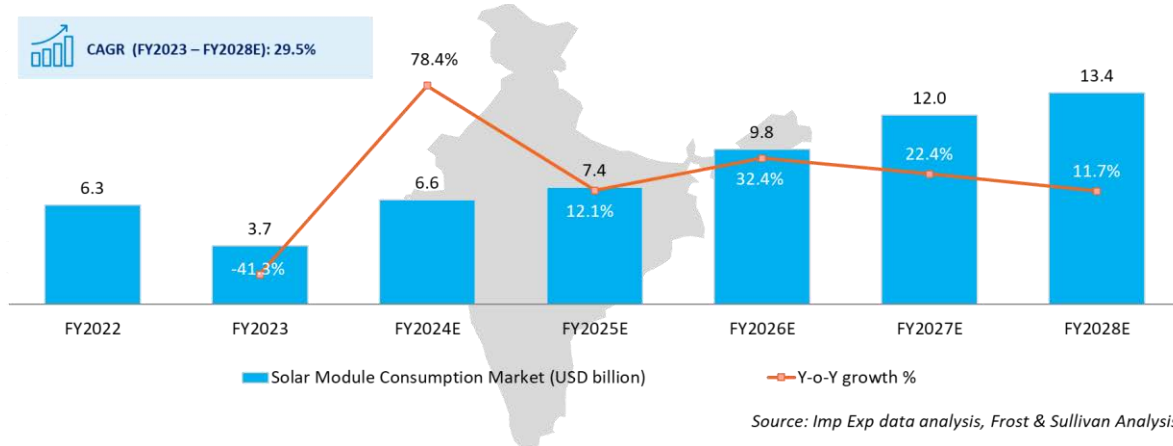
Source: Imp Exp data analysis, Frost & Sullivan Analysis

Solar Module Consumption Market = Domestic module production + Import - Export

- Till FY2021, Solar Cells and Modules were both classified under HS Code 85414011.
- In FY2022, the HS Code 85414011 was retained for Solar PV Cells and a new HS Code 85414012 was brought in for Solar PV Modules.
- Subsequently, from FY2023, the Solar PV Cells and Solar PV Modules (other than those exclusively used with ITA-1 items) are put under HS Codes 85414200 and 85414300 respectively.

In value terms, India consumed USD 6.3 billion and USD 3.6 billion worth of modules in FY2022 and FY2023, respectively. Domestic consumption is expected to reach USD 6.6 billion in FY2024 and expected to double (USD 13.4 billion) by FY2028. The growth rate however would be a little lower (40.4% in volume terms vs 29.5% in value terms) due to falling solar prices which is expected to continue over the forecast period.

### Indian solar module consumption market, USD billion, FY2022 – FY2028E

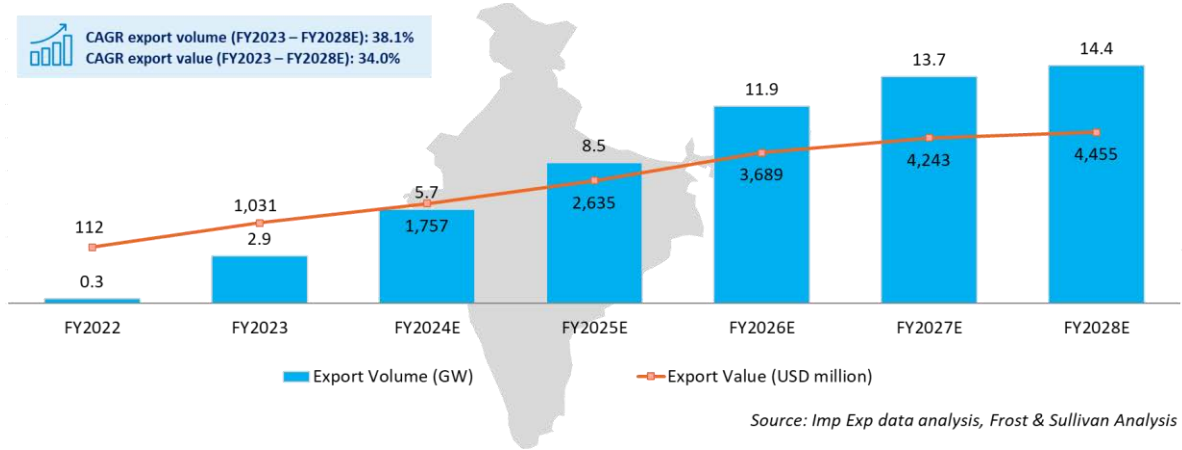


Source: Imp Exp data analysis, Frost & Sullivan Analysis

### Solar module export from India has crossed USD 1 billion in FY2023 and is expected to cross USD 1.7 billion in FY2024

PV module export from India has grown by more than 9 times in FY2023 – from a mere USD 112 million in FY2022 to USD 1.03 billion in FY2023. During this time, India’s exports to USA have grown by 16 times in value terms. In FY2023, India exported around USD 1 billion worth of PV modules to the USA, which is around 97% of the entire global module exports from India. The export has further increased to USD 1.46 billion in the first 10 months of FY2024 and expected to cross the USD 1.7 billion mark at the end of the current financial year. In volume terms, solar module exports from India have increased from 0.3 GW in FY2022 to 2.9 GW in FY2023 and is expected to almost double in FY2024 to 5.7 GW.

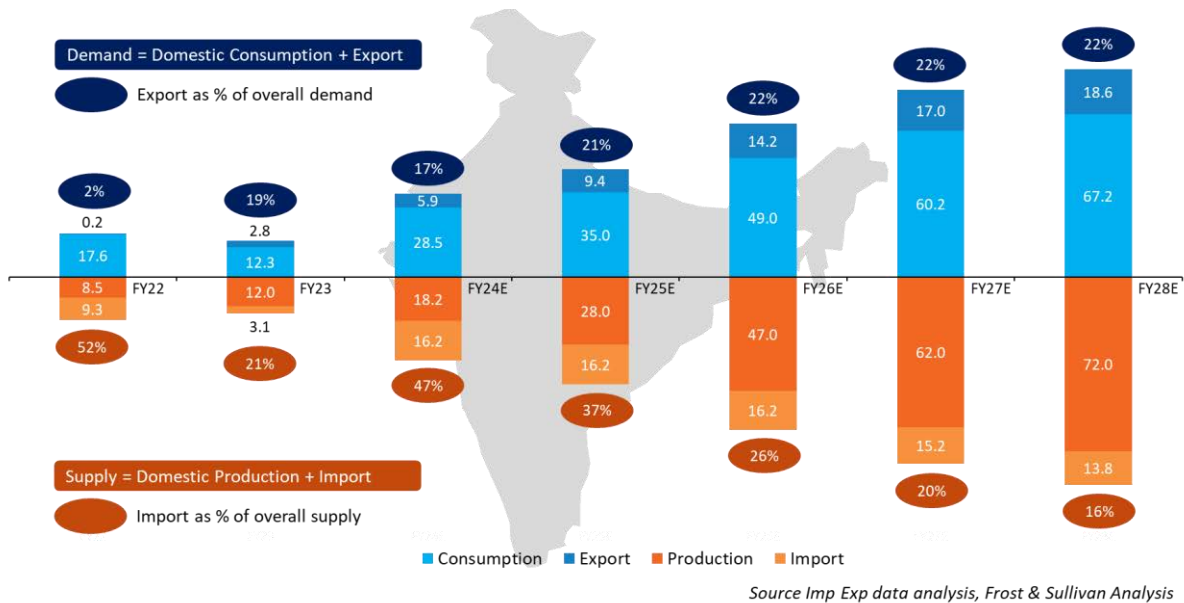
### Indian solar module export market, GW and USD million, FY2022 – FY2028E



India’s solar module exports to the USA will keep rising till FY2026 and may start declining post FY2028. The implementation of the Inflation Reduction Act (“IRA”) and the Green Deal, key policies that promote local manufacturing in the USA and the European Union (“EU”) respectively, will establish domestic solar PV manufacturing capabilities in these regions. Once the domestic manufacturing of the USA and the EU develops, Indian exports will start declining to these regions but may however pick up for the other regions such as Africa and Latin America.

As Indian manufacturers are ramping up their module capacity, import dependency is expected to reduce significantly from 52% in FY2022 to approx. 16% by FY2028. On the other hand, share of exports is expected to grow to 22% till FY2026 and then remain at that level due to falling demand from the US and the EU region.

### Indian solar module demand-supply balance, GW, FY2022 – FY2028E

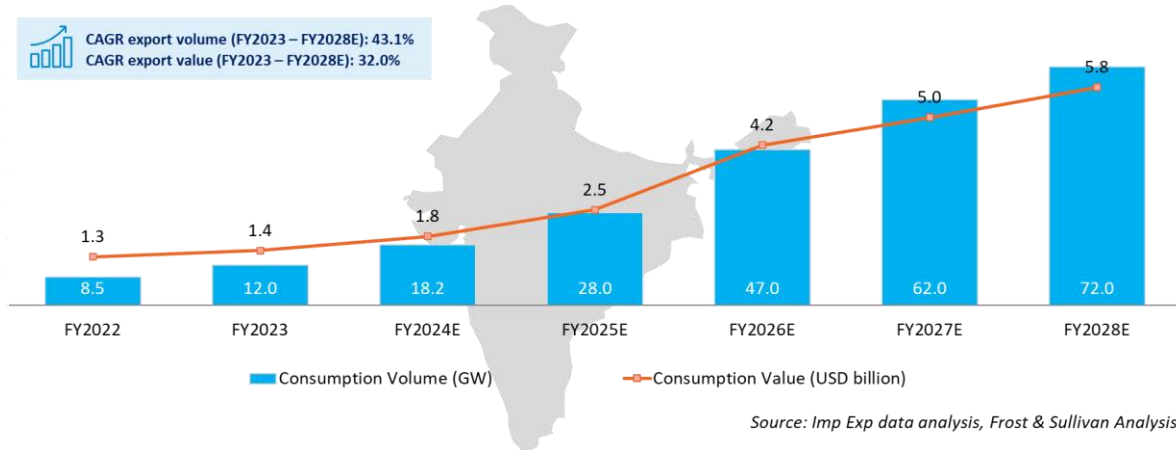


### Import of modules is expected to decline in the coming years – Domestic solar cell consumption market is expected to grow by four folds between FY2024 and FY2028

Solar cell consumption in India has witnessed a significant upward trend, increasing from 8.5 GW in FY2022 to a projected 18.2 GW in FY2024E. This more than 100% increase in just two years highlights the increasing demand for solar power in the country. As the country builds domestic solar module capacity, import of solar modules is expected to decline in the coming years which will boost the domestic solar cell consumption market. Government schemes like PM Suryaghar Yojana, CPSU Scheme and KUSUM have generated demand for DCR modules in India outpacing the current 7.2GW of installed production capacity of solar cells in India. This market is expected to grow four folds to 72 GW by FY2028.



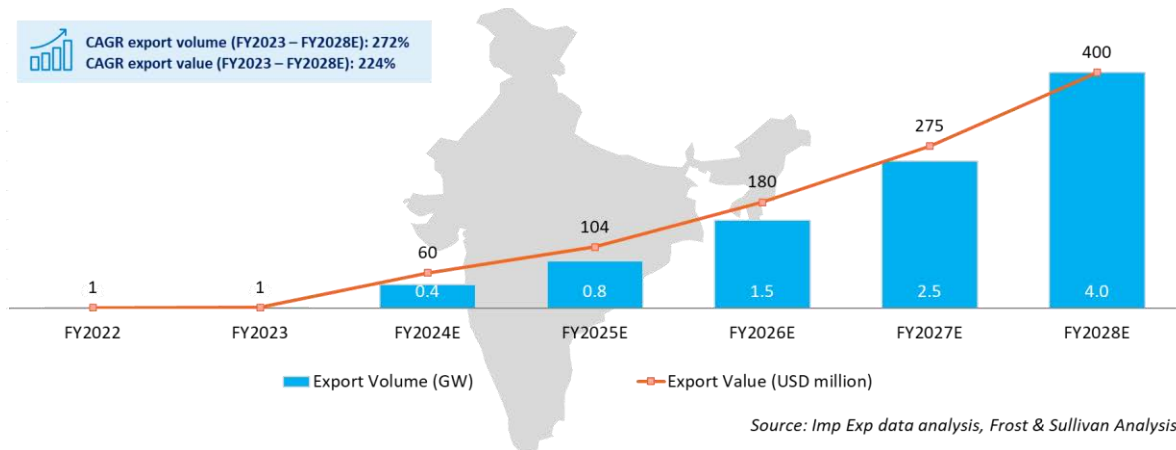
### Indian solar cell consumption market, GW and USD billion, FY2022 – FY2028E



### Solar cell exports from India are expected to increase in the coming years as the USA is ramping up its module manufacturing capacity

Value wise, solar cell export from India is much lower than the module export, however the industry has seen a sharp increase in the export value from USD 1.1 million to USD 52.5 million in the first 10 months of FY2024. 60% of this export has happened to US market. The USA remains the top destination for India’s solar module and cell manufacturers, where China cannot sell due to certain trade barriers. India also stands to gain from the China Plus-One strategy which has opened opportunities for large Indian players, and the trend is likely to continue to be a part of the policy for most manufacturers. solar cell export from India is expected to grow further to reach USD 400 million by FY2028 – volume wise, solar cell export from India is expected to grow from 0.4 GW in FY2024 to 4.0 GW by FY2028.

### Indian solar cell export market, GW and USD million, FY2022 – FY2028E

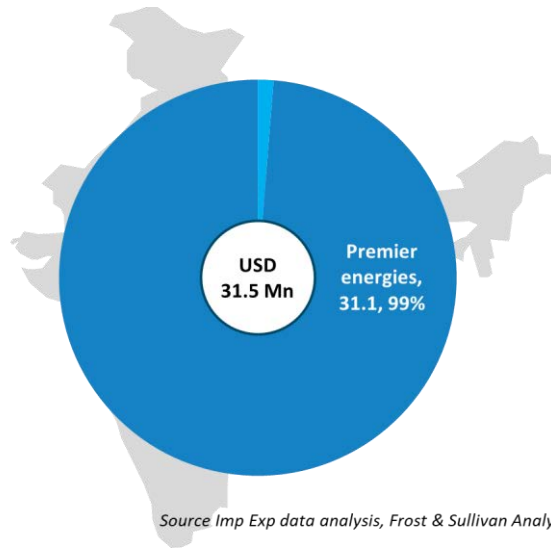


However, it is important to note that the demand for Indian products in the U.S. is subject to the U.S. Department of Commerce’s final determination on imposition of duties on solar cells and modules found to have circumvented prevailing import restrictions by assembling products outside China using components sourced from China. If countervailing duties are not imposed on such circumventing suppliers, it could increase the competition for Indian products in the U.S. market. In addition, the U.S., through the IRA seeks to encourage local manufacturing of cells and modules, which may impact the demand for Indian products in the U.S. market. Any change in government policies and regulations including any imposition of additional duties, pre-conditions or ban imposed by the U.S. may also have an adverse impact on exports.

The European market may also become more accessible with the anticipated implementation of the European Union’s Carbon Border Adjustment Mechanism, a scheme aimed at reducing global carbon emissions and preventing “carbon leakage” where companies might transfer production to countries with less stringent greenhouse gas emissions controls, in 2025.

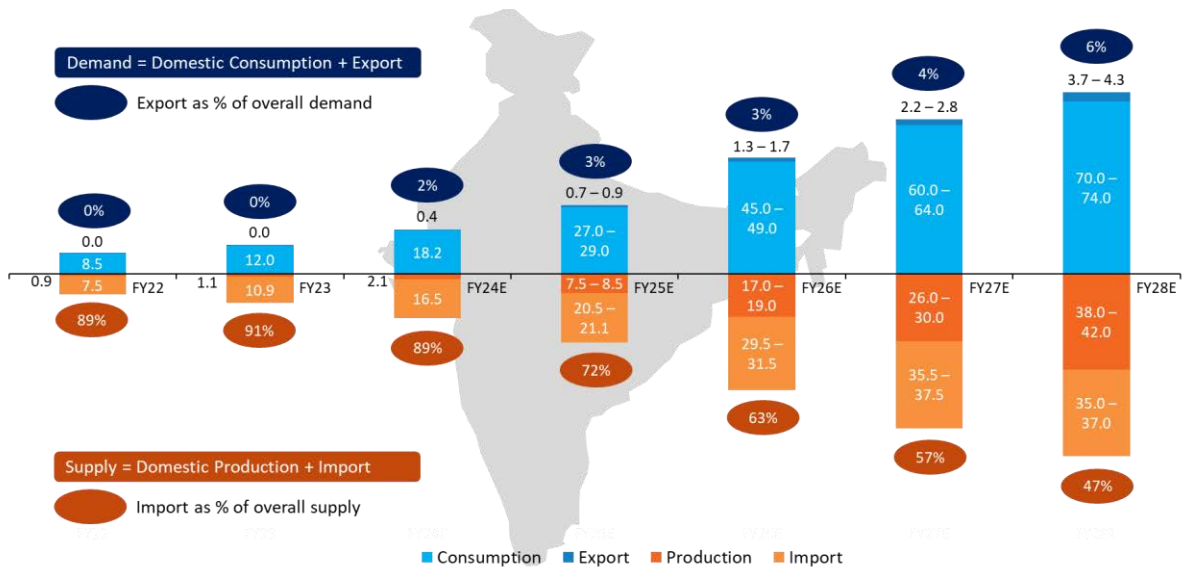
Based on import data available for April 2023 to January 2024, Premier Energies is the largest (99% market share) Indian exporter of solar cells to the U.S., which is one of the largest markets for solar modules globally.

**Premier Energies' solar cells export to USA, in value, FY2024E (until Jan 2024)**



Even with significant cell manufacturing capacity additions in the country over the next few years, reliance of Indian module manufacturers on imported cells would continue to increase over the next three years before hitting the peak around FY2027. In percentage terms, however, import dependency would go down from 89% in FY2022 to 47% in FY2028.

**Indian solar cell demand-supply balance, GW, FY2022 – FY2028E**

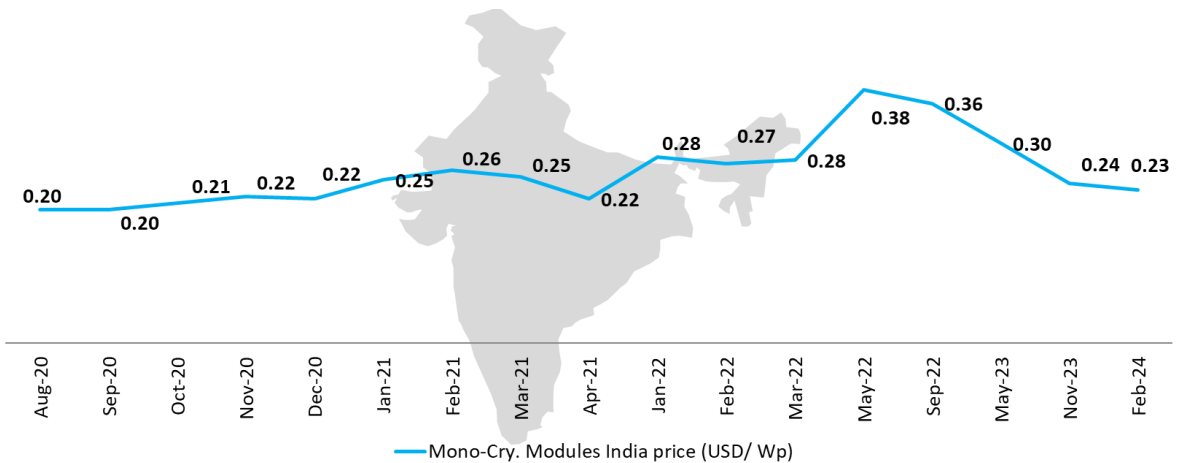


**Solar module and cell price trends in India**

Polysilicon is a critical raw material in solar PV manufacturing. Reduction in its price over the years has been a major factor contributing to decline in solar module prices. However, post July 2020, polysilicon price in the global markets increased from \$6.8/Kg to \$43/Kg in November 2021 (~6 times increment). During Q3 CY2021, several countries including China faced an energy crisis. The main reasons were shortage of coal and associated supply chain disruptions in coal supply. The solar manufacturing industry, still highly concentrated in China, was affected by the rolling blackouts implemented by the government of the energy intensive industries. This crisis compounded an already difficult situation and contributed to increase in module prices in short term.



### Solar module price trends, India, August 2020 – Feb 2024



\*Data until January 2024

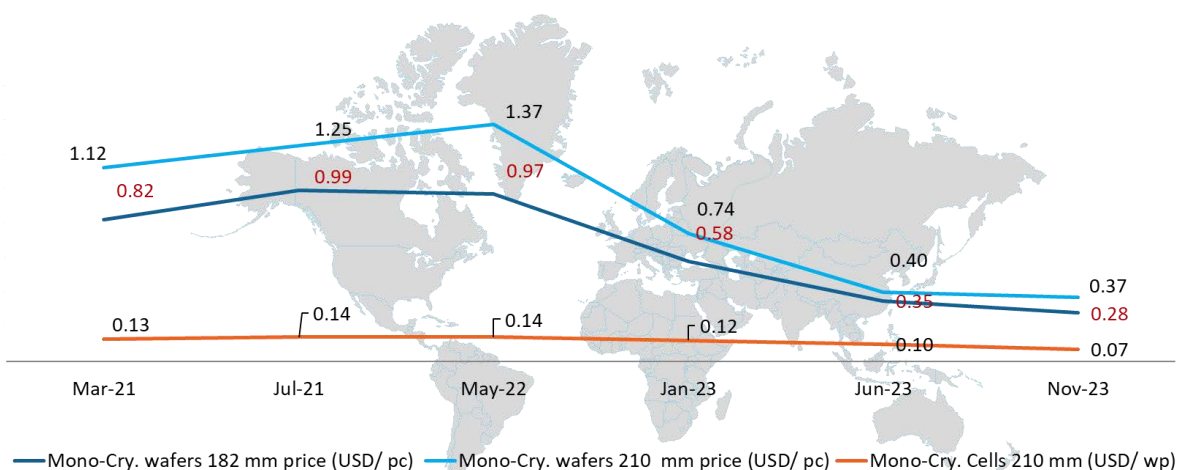
Source: PV Infolink, Frost & Sullivan Analysis

However, in the last few months of FY2024, they have undergone a significant decline, reaching a level of \$0.23 per Wp. This sharp decrease is primarily attributed to an oversupply of upstream components, particularly polysilicon. Domestic module prices in India also experienced a significant drop, falling from \$0.30 per Wp to \$0.23 per Wp primarily due to the country’s reliance on imported cells. The prices of domestically produced solar modules in India have been falling in line with international prices. However, domestically produced modules still cost 45 to 50% more than Chinese products. This is due to the 27.5% import duty on cells and the higher cost of domestic manufacturing.

However, despite the downward trend, Indian solar module prices remain slightly higher than their Chinese counterparts. This price difference can be attributed to certain factors including import duty. India levies a 27.5% import duty on solar cells, a crucial component in solar panels. This duty adds a layer of cost to domestically manufactured modules.

Wafer prices have been dropping due to excess production capacity and rapid advancements in cell technology. The industry has seen fluctuating prices since 2023, which has led to increased competition. The supply of silicon wafers, used in solar cells, is currently outpacing demand. Even though the cost of making the wafers might go down slightly, many manufacturers are still losing money because they are selling them for less than it costs to produce them. This situation is putting pressure on wafer makers. Some are even considering cutting back on production to bring supply closer to demand. While this could eventually raise wafer prices, for now, prices are actually dropping, especially for a type of wafer called p-type. Prices for another type, n-type, are also expected to fall further.

### Solar cell and wafer price trends, Global, March 2021 – November 2023



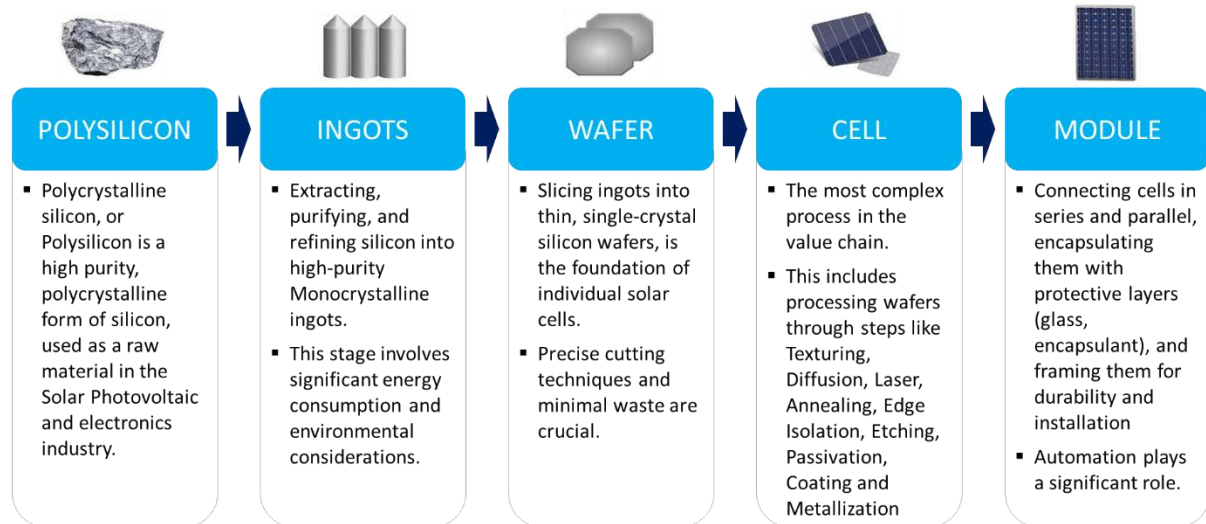
Source: PV Infolink, Frost & Sullivan Analysis

## OVERVIEW OF SOLAR PV MODULE VALUE CHAIN

### Solar cell and module manufacturing encompasses five critical processes

Solar PV module manufacturing value chain encompasses five critical processes for transforming raw materials i.e., polysilicon into finished solar panels that are ready for electricity generation. It is a complex and globalized network, with each step contributing to the final product's cost, performance, and sustainability.

#### Solar module manufacturing process



Source: Frost & Sullivan Analysis

### Brief description of solar cell and module

#### Solar cells

A solar cell or photovoltaic cell is an electrical device that converts the energy of light directly into electricity by the photovoltaic effect, which is a physical and chemical phenomenon. It is a form of photoelectric cell, defined as a device whose electrical characteristics, such as current, voltage, or resistance, vary when exposed to light. Individual solar cell devices are often the electrical building blocks of photovoltaic modules. The following key raw materials and components are used in the manufacturing of solar cells:

- **Silicon wafers:** Silicon wafers are the key component of solar cells. They are cut from silicon ingots, which are obtained from high-purity silicon. The quality and purity of the silicon are crucial to the performance of the solar cells.
- **Silver paste:** Silver paste is used to form the conductive contacts on the front side of the solar cells. It is applied using a screen-printing process and is essential for the collection and transfer of the electrical current generated by the silicon wafer.
- **Aluminum paste:** Aluminum paste is applied to the backside of the solar cell. When fired in a furnace, it forms a back surface field that reflects electrons back into the silicon to be collected as electrical current, enhancing the cell's efficiency.
- **Other gases and chemicals:** The production of solar cells involves various gases and chemicals, used in different stages of the process. For instance, dopants such as phosphorus oxychloride are used for n-type doping, while boron may be used for p-type doping. Chemicals are also used for cleaning and etching the wafers, such as hydrofluoric acid to remove the silicon dioxide layer, and other solvents for cleaning purposes.

#### Solar Modules

A solar module is an assembly of solar or photo-voltaic cells mounted in a framework for installation. Solar panels use sunlight as a source of energy to generate direct current electricity. Our solar modules are currently assembled

using monocrystalline and TOPCon cells (currently imported from third party suppliers). The primary raw materials and components used in the manufacture of our solar modules are solar cells. The following key raw materials and components are used in the manufacturing of solar modules:

- **Backsheet:** A backsheet provides for mechanical strength, electrical isolation, moisture resistance and internal reflection. It forms a direct current insulation layer between the solar cell and the installers and provides protection against shock. It is also impervious to ultraviolet 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 a 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 is required to be limited to ensure that there are no misalignments of strings and/or cell short circuiting. In addition, it is also important that 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 ultraviolet exposure for prolonged periods.
- **Glass and other auxiliary products:** The glass in the solar 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 10% 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 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 solar modules so as to ensure stability throughout its lifetime. In addition to solar cells, other raw materials or components required for the manufacture of solar modules include the backsheet, the encapsulant and glass as well as aluminum frames, ribbon, and junction box.

### Overview of solar cell and module technologies

There are several solar cell and module technologies available globally and they are summarized below for quick understanding:

#### Various types of solar cell and module technologies

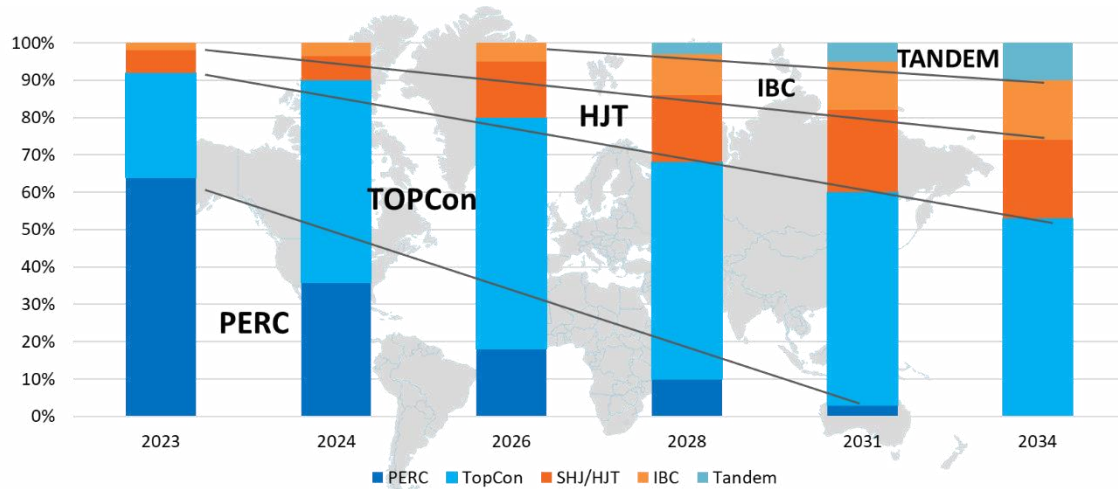
STAGE	HIGH LEVEL PRDODCT SPECIFICATION
Solar Cell	<ul style="list-style-type: none"> <li>• MONOPEC(T), TOPCon, HJT, IBC, TBC</li> <li>• Mono-facial vs. bifacial</li> </ul>
Solar module	<ul style="list-style-type: none"> <li>• Full cell vs Half cut</li> <li>• Glass/glass vs. glass/back sheet</li> <li>• Frame vs frameless</li> </ul>

Source: Frost & Sullivan Analysis

PERC had until recently the major market share of solar cell industries globally, but TOPCon cell, which can also be manufactured by an upgrade of an existing PERC line, is quickly taking over the market. The term TOPCon usually refers to both sides contacted solar cells with a polysilicon passivated carrier selective contact on the rear-side. HJT technology is one more solar cell architecture which is also very promising. HJT solar cells bring the best-in-class both side surface passivation leading to superior performances. Interdigitated back contact (“**IBC**”) solar cells on n-type Si wafer are also evolving fast as state-of-the-art technology to cross the bar of conventional both side contact solar cells and projected as future technology option. IBC technology is the last technological step in all roadmaps; however, the technology is more complicated and costly to implement at present. Besides

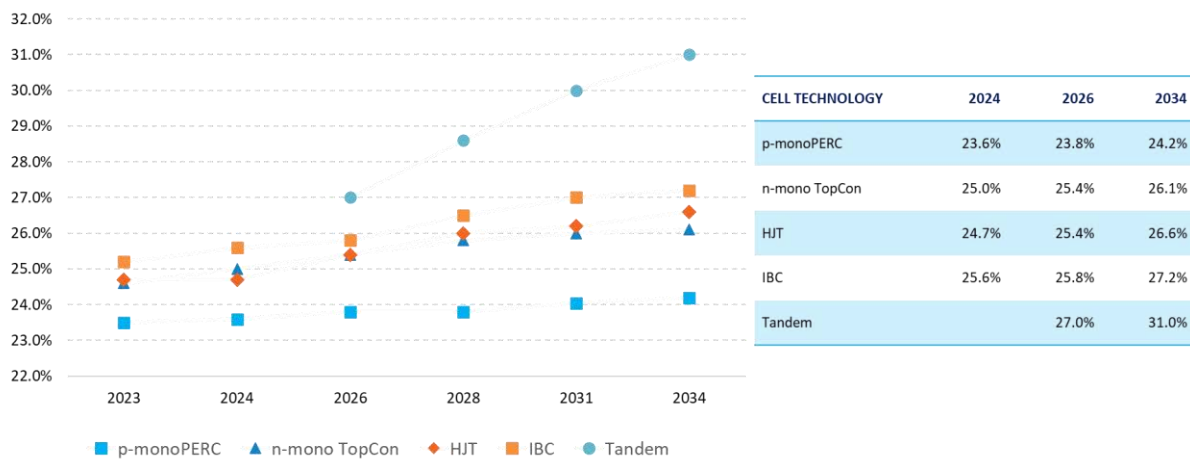
the niche markets, such as rooftops, building integration (“BI”) PVs, vehicle integration PVs and product integration PVs, are already at a large GW scale, low-cost IBC technology has the potential to become dominant in its bifacial configuration at the utility scale as well. A new and advanced solar cell design is evolving; combining the advantageous effects of TOPCon and back contact architecture, named as TOPCon back contact but the process routes are complex and not fully matured.

### Share of different solar cells in the coming future



Source: ITRPV, Frost & Sullivan Analysis

### Efficiency of various solar cell technologies



Source: ITRPV, Frost & Sullivan Analysis

### Solar cell technology is moving from polycrystalline silicon (poly-Si) to PERC to more efficient TOPCon and HJT technologies

The solar cell industry has undergone a remarkable transformation, driven by a constant quest for efficiency and cost-effectiveness. Initially, poly-Si dominated the market, offering a simple and affordable solution. However, its ability to convert sunlight into electricity was limited. A significant breakthrough occurred with the introduction of PERC technology. PERC cells address the efficiency limitations of poly-Si by incorporating surface texturing and passivating layers on both sides. These features enhance light capture and reduce electron loss, leading to a significant boost in efficiency. This shift towards PERC had propelled the industry forward, enabling the production of more powerful and cost-competitive solar panels. Monocrystalline PERC technology is an advanced technology used to increase the efficiency of standard solar modules. The electrons that form an electric current in the solar cells have greater room to move because the cells are made up of a single crystal. As a result, the solar cells are significantly more efficient. These high-end solar cells are space efficient and long lasting and have a more streamlined appearance.

Premiere Energies established a 75 MW capacity solar cell manufacturing line in 2011 before becoming one of the first companies in India to manufacture solar cells at scale. The company achieved this through the introduction of a solar cell line with annual installed capacities of 500 MW in FY2021 and 250 MW in FY2022.

The solar technology landscape is witnessing an active transformation, with numerous next-generation panels showcasing cutting-edge photovoltaic cell designs and advancements. These innovations are collectively driving improvements in efficiency, degradation resistance, and overall reliability. Following the PERC breakthrough, the latest solar PV cell technologies are TOPCon and HJT. The below table compares these technologies on various parameters.

#### Comparison of PERC, TOPCon, and HJT Technologies

PARAMETERS	PERC	TOPCon	HJT
<b>Cell Efficiency</b>	• 23.2% - 23.7%	• 24.5% - 25.2%	• 24.5% - 25.2%
<b>Module Efficiency</b>	• 20.0% - 21.5%	• 22.0% - 23.0%	• 22.0% - 23.0%
<b>Bi-faciality</b>	• 70% - 75%	• 80% - 85%	• 80% - 90%
<b>Complexity</b>	• Moderately complex	• Less than HJT	• Most complex
<b>Low Light Performance</b>	• Good	• Very good	• Excellent
<b>Suited for Climate</b>	• Moderate	• Hot and cold	• Hot and cold
<b>Temperature Co-efficient of Power (Pmax Temperature Co-efficient)</b>	<ul style="list-style-type: none"> <li>• 0.35% / °C.</li> <li>• PERC cells experience a more noticeable power decline at elevated temperatures</li> </ul>	<ul style="list-style-type: none"> <li>• 0.29% / °C.</li> <li>• Offers a significant power improvement over PERC cell at elevated temperatures</li> </ul>	<ul style="list-style-type: none"> <li>• 0.24% to -0.26% / °C.</li> <li>• Lowest temperature coefficient – HJT cells experience minimal power loss even at high temperatures.</li> </ul>

Source: Frost & Sullivan Analysis

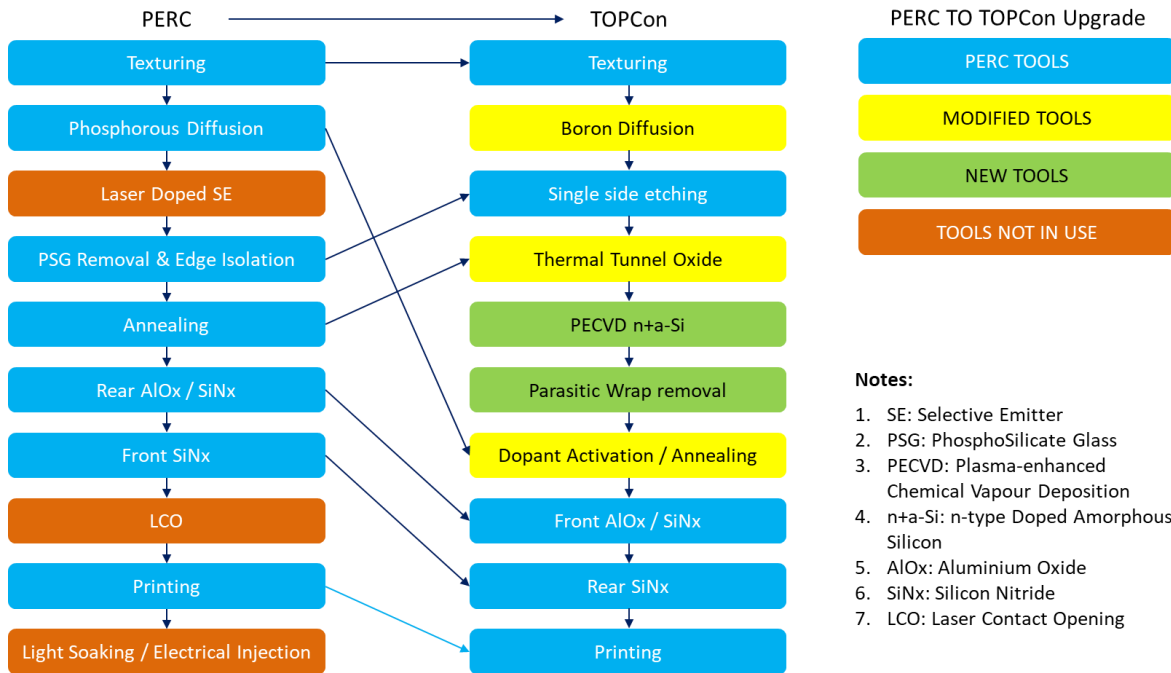
TOPCon technology, offers an 80% bi-faciality rate, superior to PERC’s 70%, allowing TOPCon modules to gather more energy from their rear side. This quality is particularly beneficial for large-scale, ground-mounted utility projects. These cells not only enhance the overall energy output of solar plants but also enable efficient land utilization.

PERC and TOPCon are compatible technologies. While PERC has become widely accepted in the solar panel industry, advancements in process technology such as heterojunction and TOPCon technology are anticipated to provide significant competition. TOPCon requires additional equipment to be integrated into the production line of monocrystalline PERC for manufacturing TOPCon cells. On the other hand, HJT solar cell manufacturing necessitates the complete replacement of the existing PERC manufacturing line, demanding substantial capital investment.

Premier Energies is the second largest solar cell producer in India in terms of annual installed capacity at the end of FY2024. In 2022, Premier Energies became India’s first solar manufacturer to develop a bifacial monocrystalline PERC solar cell based on the M10 – 182 mm x 182 mm format. The company uses “clean silicon” solar cell – a term that signifies raw materials sourced from ESG-compliant sources and vendors and is of growing significance in the export market. Going forward, the company is investing in TOPCon lines to produce more efficient solar cells. The clear advantages of TOPCon technology, including higher efficiency, higher bifaciality, better longevity, and greater versatility, are driving this strategic investment. Premier Energies’ Unit II manufacturing facility is India’s first LEED gold rated solar manufacturing facility as certified by the U.S. Green Building Council V4 Building Design and Construction: New Construction and Major Renovations in August 2022.

While monocrystalline PERC panels are expected to maintain their market presence for a considerable period, TOPCon represents the next step in solar technology, promising to push the boundaries of solar power generation in the years to come. The chart below sets out the production steps of both monocrystalline PERC cells and TOPCon cells side-by-side and upgradations required:

## Upgration from MonoPERC to TOPCon production line



Source: Stakeholder Interactions / Frost & Sullivan Analysis

Beyond advancements in cell technology, panel design advancements are also playing a key role. Glass design also plays a significant role. Bifacial solar modules feature a dual-sided design that allows the modules to capture sunlight from both the front and back surfaces. Unlike monofacial modules that only harvest light on one side, bifacial modules take advantage of the albedo effect where light is reflected from the ground or other surrounding surfaces onto the rear side of the module. This results in additional energy capture, which can significantly enhance the overall energy yield of the system. To maximize their potential, bifacial modules are often paired with special mounting systems and are best situated where ground reflectivity is high, such as on white gravel or snow. These modules are most beneficial at higher latitudes where the sun's path can be more effectively exploited through the dual capture surfaces and in large scale power plants which use sun tracker for mounting of modules. The dual-glass design not only allows the modules to absorb light from multiple angles but also provides superior protection against environmental stressors, ensuring a long operational life and consistent power generation.

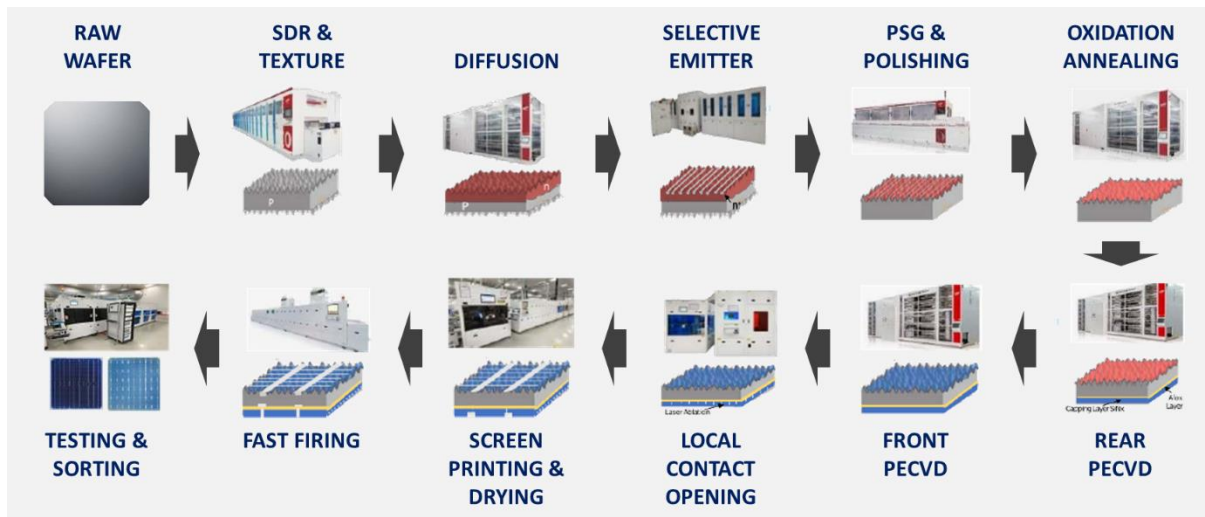
### Cell manufacturing is the most complex processes in the value chain

#### Solar cell manufacturing – a highly complex process with extensive utilities management

Solar cell manufacturing is the most complex and technical process within the solar module production value chain which requires multiple chemical and gas-based stages and encompasses intricate procedures such as texturing, diffusion, selective emitter laser, polishing, and oxidation annealing to convert raw silicon wafers into effective sunlight-to-electricity converters, known as solar cells.



## Monocrystalline PERC solar cell manufacturing steps



*Source: Frost & Sullivan Analysis*

STEPS	DESCRIPTION
<b>Raw wafer (Gallium / Boron doped)</b>	<ul style="list-style-type: none"> <li>The wafers received at factory are passed through wafer inspection tool to check for any microcracks before taking up for further cell process.</li> </ul>
<b>SDR (saw damage removal) and texture to reduce reflection</b>	<ul style="list-style-type: none"> <li>The production of solar cells generally begins with wafers undergoing a chemical cleaning and texturing process on wet benches, which strips away organic and metal contaminants and creates a topography resembling suede or pyramids on the surface of the wafer. This textured surface is designed to minimize optical losses in solar cells by reducing reflection and elongating the optical path, which improves light absorption.</li> <li>This includes precise chemical management for uniform etching, optimized surface texturing for better light capture, minimized surface reflectance to maximize absorption, and rigorous control of wafer purity to prevent efficiency-robbing contamination.</li> </ul>
<b>Diffusion to make the P-N Junction</b>	<ul style="list-style-type: none"> <li>Subsequently, the wafers are subjected to a high-temperature diffusion process that forms a p-n junction—the critical part of a solar cell responsible for separating carriers of light-generated electric charge.</li> <li>This involves maintaining uniformity for optimal surface composition and junction depth, controlling the resistance of the silicon wafer (R-sheet) within a critical range for efficiency, and minimizing marks or spots from the processing equipment to avoid electrical defects.</li> </ul>
<b>Selective emitter to provide low contact resistance</b>	<ul style="list-style-type: none"> <li>After the diffusion process, selective emitter laser is used to perform heavy doping (high concentration) in the contact part of metal gate line. With heavy doping metal electrode and emitter (P-N junction) forms good ohmic contact and improves efficiency of solar cell.</li> <li>Selective emitter technology requires meticulous laser control. This involves achieving target sheet resistance and uniformity for optimal cell efficiency. Precise laser power, speed, and frequency ensure uniform emitter formation, while controlling laser offset minimizes electrical defects that can lead to cell rejections.</li> </ul>
<b>Phosphosilicate Glass (“PSG”) and polishing to separate PN junction and removal of phosphorous glass</b>	<ul style="list-style-type: none"> <li>PSG polishing presents another intricate stage in solar cell production. Here, achieving uniform etching is paramount to ensure consistent removal of the PSG layer across the wafer’s surface. Additionally, meticulous control is required to prevent water or chemical flow marks and optimize drying parameters.</li> </ul>
<b>Oxidation Annealing</b>	<ul style="list-style-type: none"> <li>Heating the wafer in an oxygen-rich environment at around 400°C to improve front surface passivation and enhance contact adhesion. The oxidation forms a thin silicon</li> </ul>

STEPS	DESCRIPTION
	oxide (SiO <sub>2</sub> ) layer on the silicon surface, passivating defects and reducing recombination losses, ultimately leading to higher conversion efficiency. The layer also improves the adhesion of the subsequent anti-reflective coating (SiN <sub>x</sub> ).
<b>Rear PECVD (ALOX) rear side passivation and back surface field</b>	<ul style="list-style-type: none"> <li>Rear Plasma-Enhanced Chemical Vapor Deposition (“<b>PECVD</b>”) is a critical but complex step in solar cell manufacturing. It requires precise control over several parameters: maintaining uniform thickness and refractive index (RI) of the deposited anti-reflective coating, minimizing marks or spots from processing equipment, and rigorously controlling impurities to prevent visual defects like redness or rainbow effects. All these factors significantly impact cell quality and rejection rates.</li> </ul>
<b>Front PECVD (SiN<sub>x</sub>) for anti-reflective coating and front side passivation</b>	<ul style="list-style-type: none"> <li>An anti-reflective coating, usually composed of silicon nitride, is then applied to the surface facing the sun to further boost light absorption. This involves maintaining consistent thickness and refractive index (RI) across the wafer surface. Rigorous impurity control prevents visual defects like redness and rainbow effects, which can significantly impact cell quality and lead to rejections.</li> </ul>
<b>Laser contact opening (“LCO”) of rear passivated layer for contact</b>	<ul style="list-style-type: none"> <li>During LCO, precise control of laser power, speed, and frequency is essential for achieving uniform openings in the cell’s passivation layer. This minimizes electrical defects and ensures optimal cell performance.</li> </ul>
<b>Screen printing and drying</b>	<ul style="list-style-type: none"> <li>After this, metallization occurs, using a screen printing method to apply metal paste to both sides of the wafer.</li> <li>This involves precise paste deposition to ensure uniformity and proper finger formation, minimizing mismatches, controlling dimensions, and avoiding interruptions. These factors directly influence cell efficiency, yield, and rejection rates.</li> </ul>
<b>Fast firing for contact formation and light-induced degradation regeneration</b>	<ul style="list-style-type: none"> <li>Co-firing process at high temperatures in a belt furnace to create ohmic-contact electrodes. These ohmic contacts (low resistance connections) between the metal electrodes and the silicon on both sides enable current flow.</li> </ul>
<b>Testing and sorting (IV, Electroluminescence (“EL”), Color, etc.)</b>	<ul style="list-style-type: none"> <li>The finished solar cells are then tested, sorted, and ready for assembly into solar modules.</li> <li><b>IV Test (Current-Voltage):</b> Measures the cell’s voltage and current output under simulated sunlight, assessing its efficiency and identifying potential defects.</li> <li><b>EL Imaging:</b> Reveals defects in the P-N junction and identifies areas of non-uniformity.</li> <li><b>Color Sorting:</b> Categorizes cells based on their visual appearance, aiding in further sorting and grouping.</li> </ul>

Source: Frost & Sullivan Analysis

**Complexities involved in Utilities Management for solar cell manufacturing:**

Each of the cell manufacturing process steps involves several high purity semiconductor grade gases and chemicals as inputs. Effective management of utilities is crucial for safe, efficient, and high-yield solar cell production. Below is a breakdown of the key complexities involved:

**Acid and Alkaline Exhaust Systems:** Some of the cell process steps involving chemicals like Potassium Hydroxide, Hydrochloric Acid, Hydrogen Peroxide and Hydro Fluoric Acid emit alkaline and acidic fumes in the tool which needs to be exhausted out and treated using scrubbers Neutralization and proper treatment of exhaust fumes generated during various processes are essential for environmental compliance.

**Waste Gas Management:** The thermal tools like Diffusion, Annealing and PECVD tools use gasses like Nitrogen, Silane, Ammonia, Nitrous Oxide, Methane, Hydrogen, Phosphene, Boron Trichloride and Oxygen, which are released as waste gasses after processing the wafers. The waste gasses need to be treated in thermal scrubbers to break them down into non-hazardous compounds and exhaust hot air while capturing the non-hazardous materials.



**Demineralized (DI) Water Management:** A 1 GW cell line consumes a significant amount of water (approximately 1 million liters per day). This necessitates a comprehensive water treatment system involving effluent treatment, water recovery through reverse osmosis and generation of ultra-pure water with stringent quality parameters (18 MΩ.cm resistivity, total organic carbon below 10 parts per billion and bacterial count less than 10 colony-forming unit per milliliter).

**Safe and Efficient Gas and Chemical Handling:** Manufacturing utilizes a variety of semiconductor grade (99.999%) gases like Silane, Ammonia, Nitrous Oxide, Oxygen, Hydrogen, Methane, Phosphene, Boron Trichloride, Nitrogen and chemicals like Hydrochloric Acid, Potassium Hydroxide, Hydrogen Peroxide, Trimethyl Ammine and Hydrofluoric Acid. Implementing procedures for safe and efficient handling of these gases and chemical and their distribution and usage within the process is paramount. Disposal of waste gases and chemical in a safe method through appropriate equipment like gas and chemical scrubbers, effluent treatment plants are quite crucial for operating a solar cell line.

**Power Management:** A 1 GW cell line requires substantial power (around 10 MW) along with associated switchgear and auxiliary equipment. Any interruption in power to the process tools will result in discarding entire batch under processing causing losses and also will require considerable time to reset the whole process. To ensure uninterrupted operation, 100% backup power systems with diesel generators and uninterruptible power supply for critical equipment is mandatorily provided for safe operation of the plant.

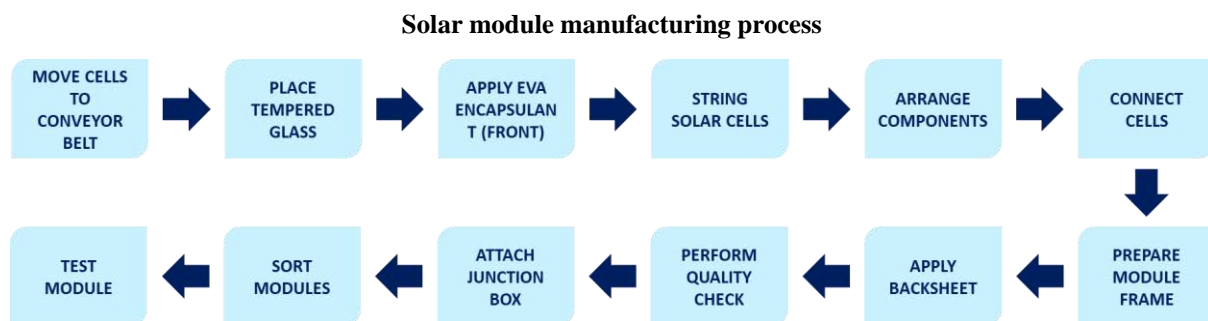
**Process Cooling Water:** Maintaining optimal temperature within tools in thermal processes and metallization equipment is crucial. Almost all the tools in the process require process cooling water with varied pressure and flow rates. Designing and maintaining such a system with standby pumps to ensure 100% availability is challenging.

**24/7 Utility Operation:** For optimal cell line operation and high productivity, uninterrupted utility operation is essential. The quality of utilities directly impacts both cell yield and efficiency. Hence all systems are designed with redundancy to ensure 100% availability of the utility.

Solar module assembly – not a complex but a highly automated process

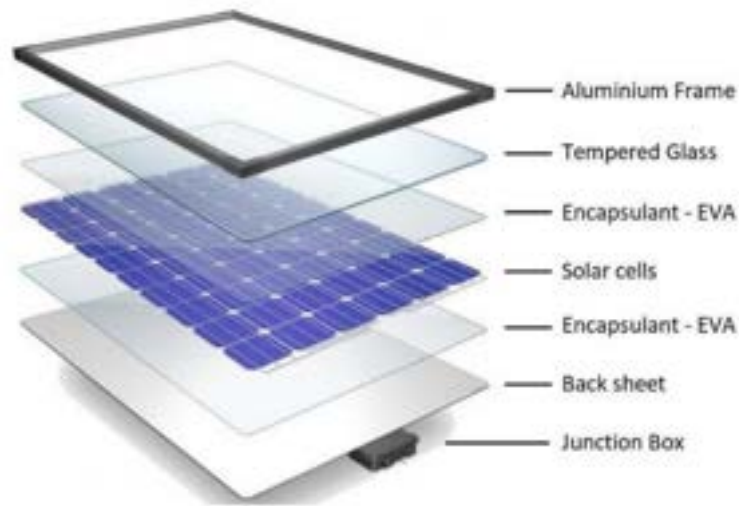
A solar module is constructed through a series-parallel configuration of individual solar cells. This interconnected array is then safeguarded from the elements with layers of glass, encapsulant, and backsheet material. Additionally, a junction box is integrated to facilitate the extraction of electrical power from the module.

From the meticulous selection of individual solar cells to the rigorous quality checks that guarantee performance, the module assembly process leverages robotic precision for handling delicate components. Advanced automation flawlessly manages material flow, minimizing human error and material loss. Simultaneously, sophisticated testing procedures guarantee dependable power generation. Other than solar cells, various other components used in the module assembly are Ethylene Vinyl Acetate (EVA), back sheets, solar glass, metal frames, busbars, cables, connectors, junction boxes, etc. Companies like Premier Energies have completely automated solar module production lines. This is important as this reduces the incidence of human error and possible degradation in the quality of the modules that the company produces.



Source: Frost & Sullivan Analysis

### Various components of a solar module



Source: Frost & Sullivan Analysis

**Due to complexity, solar cell manufacturing requires approximately three to four times higher capital expenditure than solar module manufacturing**

#### Complexities involved in solar cell vs solar module manufacturing

COMPLEXITY FACTOR	SOLAR CELL MANUFACTURING	SOLAR MODULE MANUFACTURING
<b>Raw Material Processing</b>	<ul style="list-style-type: none"> <li>Solar cell fabrication necessitates the utilization of ultra-high-purity silicon, demanding intricate refining and processing procedures.</li> </ul>	<ul style="list-style-type: none"> <li>Solar module assembly relies on pre-treated silicon cells, streamlining the processing complexities.</li> </ul>
<b>Technological Requirements</b>	<ul style="list-style-type: none"> <li>Solar cell production entails sophisticated technologies aimed at maximizing cell efficiency and refining intricate production techniques.</li> </ul>	<ul style="list-style-type: none"> <li>Solar module manufacturing primarily focuses on assembly technologies, with less emphasis on cell-level technological innovations.</li> </ul>
<b>Capital Investment</b>	<ul style="list-style-type: none"> <li>The capital outlay for solar cell manufacturing is substantial, attributable to the acquisition of specialized equipment for silicon refinement and cell fabrication.</li> </ul>	<ul style="list-style-type: none"> <li>Solar module manufacturing demands comparatively lower capital investment, primarily driven by the assembly process and the absence of highly specialized machinery.</li> </ul>
<b>Skilled Labor</b>	<ul style="list-style-type: none"> <li>Solar cell fabrication mandates a proficient workforce adept in chemical processing and semiconductor manufacturing techniques.</li> </ul>	<ul style="list-style-type: none"> <li>Solar module assembly requires skilled labor, albeit with less specialization compared to cell fabrication, encompassing assembly and quality control domains.</li> </ul>
<b>Production Scale</b>	<ul style="list-style-type: none"> <li>Solar cell production operates at a relatively smaller scale due to meticulous handling requirements, constraining throughput capacity.</li> </ul>	<ul style="list-style-type: none"> <li>Solar module manufacturing enjoys scalability benefits, facilitated by streamlined assembly processes and reduced intricacies, enabling larger-scale operations.</li> </ul>
<b>Technological Advancement</b>	<ul style="list-style-type: none"> <li>The dynamic nature of technological advancements poses a significant risk in solar-cell manufacturing, potentially rendering current methodologies obsolete rapidly.</li> </ul>	<ul style="list-style-type: none"> <li>Solar module manufacturing experiences a slower pace of technological evolution, with advancements typically affecting incremental improvements rather than rendering existing processes obsolete.</li> </ul>

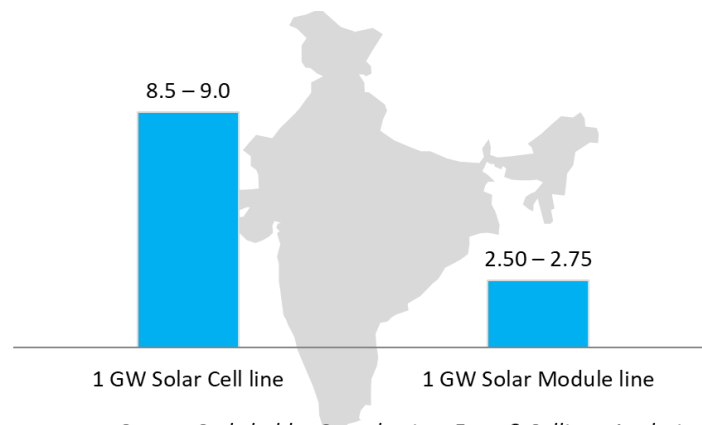
COMPLEXITY FACTOR	SOLAR CELL MANUFACTURING	SOLAR MODULE MANUFACTURING
<b>Supply Chain Management</b>	<ul style="list-style-type: none"> <li>Solar cell manufacturing entails complex supply chain management owing to the diverse array of raw materials and chemicals involved in the process.</li> </ul>	<ul style="list-style-type: none"> <li>Solar module manufacturing involves comparatively simpler supply chain dynamics, predominantly revolving around procurement of cells and ancillary components.</li> </ul>

Source: Frost & Sullivan Analysis

#### Capex for setting up a solar cell versus module manufacturing plant

Based on stakeholder consultations, setting up a 1 GW solar module manufacturing line will entail an investment of approx. ₹2.5 – 2.75 billion whereas, a similar capacity solar cell manufacturing line will require investment to the tune of ₹8.5 – 9.0 billion.

#### Comparison of setting up a 1 GW solar cell and solar module line, ₹ billion













Source: Stakeholder Consultation, Frost & Sullivan Analysis

#### Risk associated with solar cell and solar module manufacturing

The global technology landscape is constantly evolving, and recent developments highlight the importance of considering potential risks associated with the supply chain. For instance, China recently revised its catalogue of technologies prohibited or restricted from export. While the manufacturing tools currently procured from China for solar cell and module production are not subject to such restrictions, this doesn't guarantee their continued unrestricted status. If the catalogue is revised further to include the technologies and tools crucial to operations that is currently sourced from China, India may face challenges in securing these resources from alternative vendors. Finding suitable replacements at comparable prices and performance levels could prove difficult. This potential supply chain disruption could ultimately lead to increased capital costs and negatively impact profitability.

RISK CATEGORY	SOLAR CELL MANUFACTURING	SOLAR MODULE MANUFACTURING
<b>Economic Risks</b>	<ul style="list-style-type: none"> <li>High initial capital investment required.</li> <li>Product quality and yield levels have higher influence on margins.</li> <li>Working capital requirement is comparatively lower. (High)</li> </ul>	<ul style="list-style-type: none"> <li>Much lower initial capital investment</li> <li>Margin is comparatively lower – product quality and yield does not vary much.</li> <li>High working capital requirement. (Low)</li> </ul>

RISK CATEGORY	SOLAR CELL MANUFACTURING	SOLAR MODULE MANUFACTURING
<b>Market Risks</b>	<ul style="list-style-type: none"> <li>High entry barrier – competitive intensity is much lower.</li> <li>DCR rule is not applicable on cells.</li> </ul> 	<ul style="list-style-type: none"> <li>Very high competitive intensity with presence of more than 100 Module manufacturers</li> <li>DCR rule is applicable on Modules.</li> <li>Products are subjected to stringent standards and specifications.</li> </ul> 
<b>Technological Risks</b>	<ul style="list-style-type: none"> <li>Solar cell manufacturing plants confront significant technological risks, as rapid advancements in solar technology can swiftly render existing manufacturing processes obsolete.</li> </ul> 	<ul style="list-style-type: none"> <li>Conversely, solar-panel manufacturing plants face lesser risks of obsolescence in the assembly process but remain reliant on the technological advancements of procured solar cells.</li> </ul> 
<b>Project development risks</b>	<ul style="list-style-type: none"> <li>No. of utilities, no. of tools, complexity of setting up the line is very high.</li> <li>Design, engineering, licensing and permits requirements are very high.</li> </ul> 	<ul style="list-style-type: none"> <li>Complexities and utilities requirement are very low.</li> </ul> 
<b>Process Stabilization Risks</b>	<ul style="list-style-type: none"> <li>Two critical parameters define the output – average cell efficiency and yield.</li> <li>Achieving high cell efficiency and high yields typically take anywhere between 6 months to 12 months.</li> </ul> 	<ul style="list-style-type: none"> <li>It typically takes about 45-60 days to stabilize the process and throughput of the line – independent of the process team.</li> </ul> 
<b>Regulatory Risks</b>	<ul style="list-style-type: none"> <li>Compliance with intricate standards and regulations poses high regulatory risks for solar cell manufacturing.</li> </ul> 	<ul style="list-style-type: none"> <li>Module manufacturers need to adhere country specific product certifications, installation standards, adding further regulatory considerations.</li> </ul> 
<b>After Sales Risks</b>	<ul style="list-style-type: none"> <li>Cell does not carry any warranty.</li> </ul>	<ul style="list-style-type: none"> <li>25 – 30 years warranty</li> </ul>

RISK CATEGORY		SOLAR CELL MANUFACTURING	SOLAR MODULE MANUFACTURING
			<ul style="list-style-type: none"> <li>Poor installation practices can adversely impact brand reputation and customer satisfaction.</li> </ul>
Supply Chain Risks			
	Chain	<ul style="list-style-type: none"> <li>Solar cell manufacturing plants encounter supply chain risks, shortage of gas and chemicals and availability of traceable wafer which can disrupt production schedules and output.</li> </ul>	<ul style="list-style-type: none"> <li>Solar-panel manufacturing plants face added complexity in procuring solar cells and other components for assembly, posing potential supply chain challenges.</li> </ul>
Environmental and Health Risks		<ul style="list-style-type: none"> <li>Solar-cell manufacturing plants contend with environmental and health risks associated with the handling of hazardous materials in manufacturing processes.</li> </ul>	<ul style="list-style-type: none"> <li>Solar-panel manufacturing plants face risks related to waste management and recycling of panel components, posing environmental and health concerns.</li> </ul>

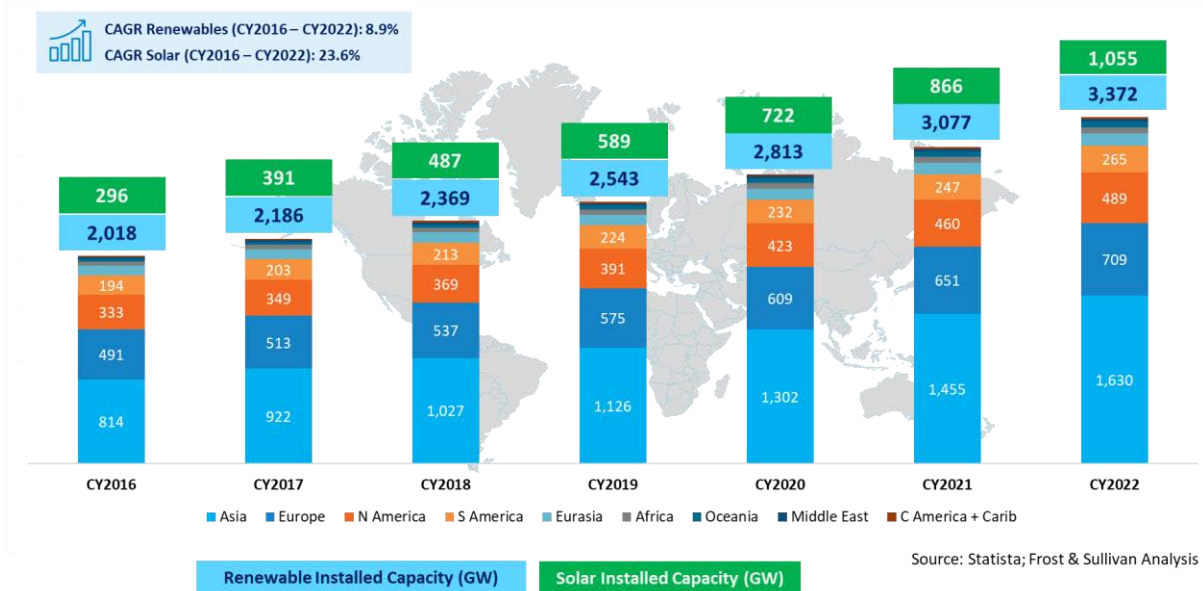
Source: Frost & Sullivan Analysis

## GLOBAL SOLAR CELL AND MODULE MANUFACTURING LANDSCAPE

### Climate actions are driving the growth of Renewables energy globally

The Paris Agreement and subsequent COP meets have spurred international action on climate change, with many countries implementing low carbon development strategies to meet their individual net zero targets. RE capacity additions is central to these strategies. Globally, RE capacity has grown at 8.9% CAGR between CY2016 and CY2022 to reach 3,372 GW, pprox.. 40% of the global power generation capacity. Asia accounts for 48% of this installed capacity, followed by Europe with 21% share and North America with 15% share. During this period, solar capacity has grown at 23.6% CAGR to cross 1 TW mark.

## Renewables capacity additions by geography, Global, in GW, CY2016 – CY2022



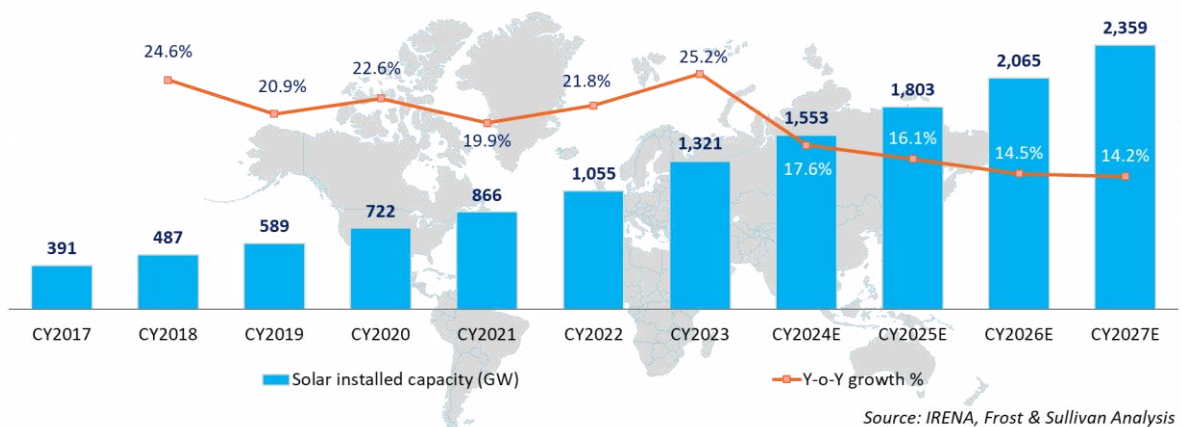
### Global solar capacity is projected for an accelerated growth driven by climate challenges, ambitious national targets, and policy support

Solar dominance is set to rise, with installed capacity projected to reach 2,359 GW by CY2027. By CY2024, solar power is expected to overtake hydropower, followed by natural gas in CY2026 and coal in CY2027, thereby becoming the largest installed electricity capacity globally. Despite facing challenges such as COVID-related disruptions and supply-chain bottlenecks, solar continued its rapid growth trajectory. The renewable energy sector remained resilient, with solar power leading the charge towards a cleaner and more sustainable energy future.

The Russia-Ukraine conflict acted as a catalyst for this clean energy transitions, underscoring the importance of energy security on a global scale. This geopolitical event highlighted the need for diversified and distributed energy sources and accelerated the adoption of clean and renewable energy technologies worldwide.

Leading economies like China, the US and India are spearheading this transition, aiming to double their renewable energy capacity within the next five years. Policy initiatives such as the REPowerEU plan and the Inflation Reduction Act in the US are providing long-term support for solar investments and manufacturing. Other policies, including feed-in tariffs, renewable energy mandates and tax breaks have made solar a more attractive and cost-competitive option for electricity generation. This trend is expected to continue, with investments in solar projected to surge as it becomes the preferred and most economical power source globally.

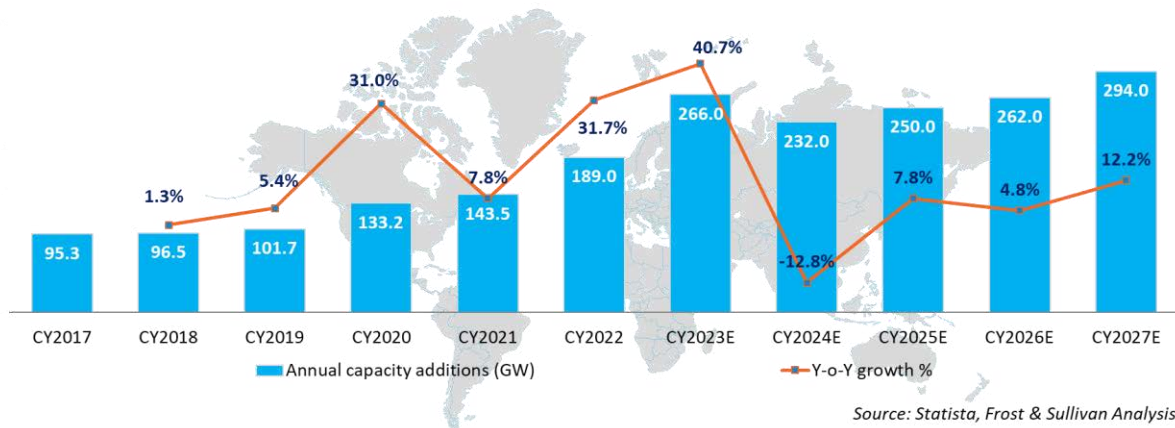
### Solar installed capacity, Global, in GW, CY2017 – CY2027E



On an annual basis, 266 GW of solar capacity was added in CY2023. CY2023 also a landmark in terms of overall renewable capacity additions by 520 GW – the highest in the last two decades. Annual solar capacity additions are expected to be in the same range and likely to add 294 GW by CY2027.



### Annual solar capacity additions, Global, in GW, CY2017 – CY2027E



The factors that are driving the global solar Energy landscape are:

#### Corporate Sustainability Initiatives:

- **RE100:** A global initiative in which businesses commit to powering their operations with 100% renewable energy. This initiative directly translates to increased demand for solar power purchase agreements and on-site solar installations.
- **International Solar Alliance (“ISA”):** An alliance of over 100 signatory countries including India focused on promoting solar energy deployment in member nations. The ISA facilitates knowledge sharing, technology transfer, and joint project development, collectively accelerating solar adoption across the globe.

#### Government Policy Frameworks:

- **IRA:** The US Inflation Reduction Act offers tax credits and incentives for renewable energy projects, including solar. The act extends and expands the existing investment tax credit for solar photovoltaic systems to 30% for the next decade, making solar installations more affordable. Additionally, the IRA introduces a new clean electricity investment tax credit starting in 2025, offering similar benefits for clean energy generation, including solar. This is likely to stimulate domestic solar systems demand in the US.
- **Green Grids Initiative – One Sun, One World, One Grid:** This initiative aims to create a global interconnected grid capable of transmitting renewable energy across borders. This would enable greater utilization of solar resources and further incentivize investment in solar generation capacity.

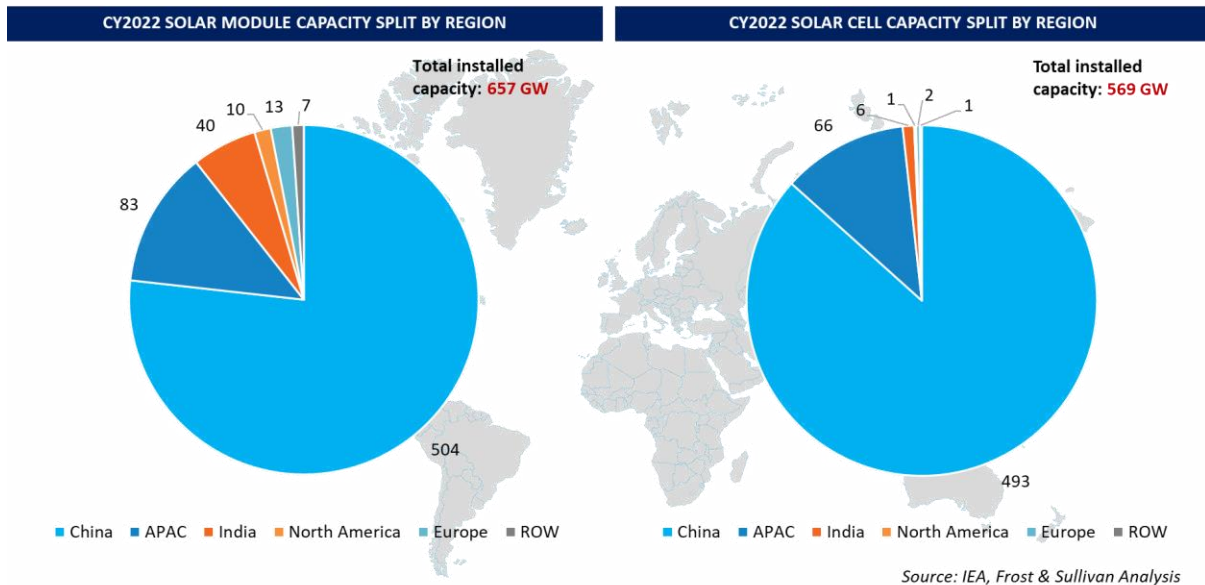
#### International Climate Change Negotiations (COP28):

- **COP28:** The 28<sup>th</sup> Conference of the Parties to the UNFCCC will likely see renewed focus on ambitious climate goals. Stringent emissions reduction targets set at COP28 could translate into increased policy support for renewable energy, including solar, further propelling demand.

### Cumulative global solar module and cell manufacturing capacity crossed 1 TW in CY2022 – China is leading the pack but Asia is showing signs of diversification, particularly with India’s rapid growth

Global cumulative solar module and cell manufacturing capacity has surpassed 1 TW in CY2022. China has been leading the solar manufacturing sector with an installed capacity of 504 GW of solar modules in CY2022. The country’s sustained investment in solar energy infrastructure, ambitious energy targets, and favorable regulatory environment have propelled its position as the world’s largest solar market. While China remains the dominant player in the global solar market, the ongoing trends suggest potential diversification within the supply chain.

## Solar module and cell manufacturing capacity split by region, CY2022



The Asia-Pacific region ranks second in solar module installations, with a total capacity of 83 GW. Countries like Japan, South Korea and Australia have emerged as significant contributors to solar energy deployment, driven by supportive policies, technological advancements and growing environmental awareness. India's solar module installations have shown significant growth, reaching 39.5 GW. Overdependence on China for cells, modules, wafers and other raw materials have created an environment which is fostering a 'China Plus One' strategy in the industry, encouraging the diversification of manufacturing bases. These positive external factors coupled with favorable labor costs, government support and incentives position India as an attractive and competitive location for solar manufacturing. The country's strong commitment to renewable energy, ambitious targets, and favorable regulatory framework have attracted substantial investments in solar power projects, positioning India as one of the key players in the global solar market.

Solar cell capacity serves as a fundamental indicator of a region's readiness to harness solar energy for electricity generation. China leads the global solar cell capacity market with a capacity of 493 GW. India also made notable strides with a solar cell capacity of 7.6 GW at the end of CY2022.

A heightened focus on solar photovoltaic supply chain diversification has emerged in recent months, with governments in the United States, Europe and India spearheading the initiative. However, differences in policy design between India and the United States have led to the promotion of different PV production segments. While India's PLI focuses on integrated facilities, the US IRA provides tax credits for various PV segments, leading to mostly segment-specific project announcements.

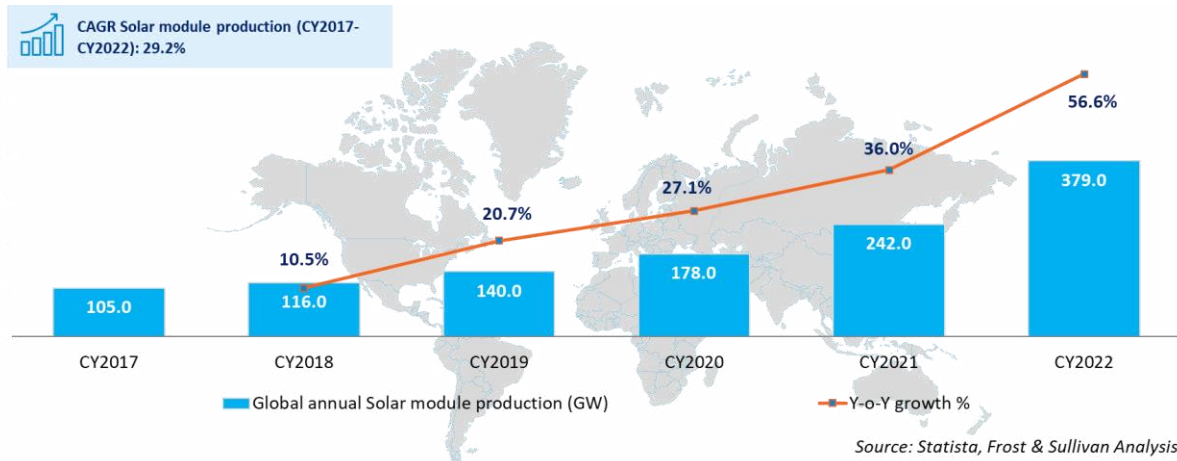
### Global solar cell and module production market are poised for exponential growth

In the last decade, China has risen as the leading hub for solar PV manufacturing due to supportive governmental policies, sustained innovation, and significant investments, surpassing Europe, Japan and the United States. Global PV shipments exceeded 300 GW in CY2022.

Governments in the US, Europe and India have initiated measures to diversify the solar PV supply chain. For instance, India introduced the PLI scheme, while the US implemented the IRA, offering direct financial incentives to domestic manufacturers to enhance their competitiveness against Chinese counterparts. These nation-specific initiatives are anticipated to bolster manufacturing capacities globally, thereby meeting the global demand for solar modules and cells in the coming years.

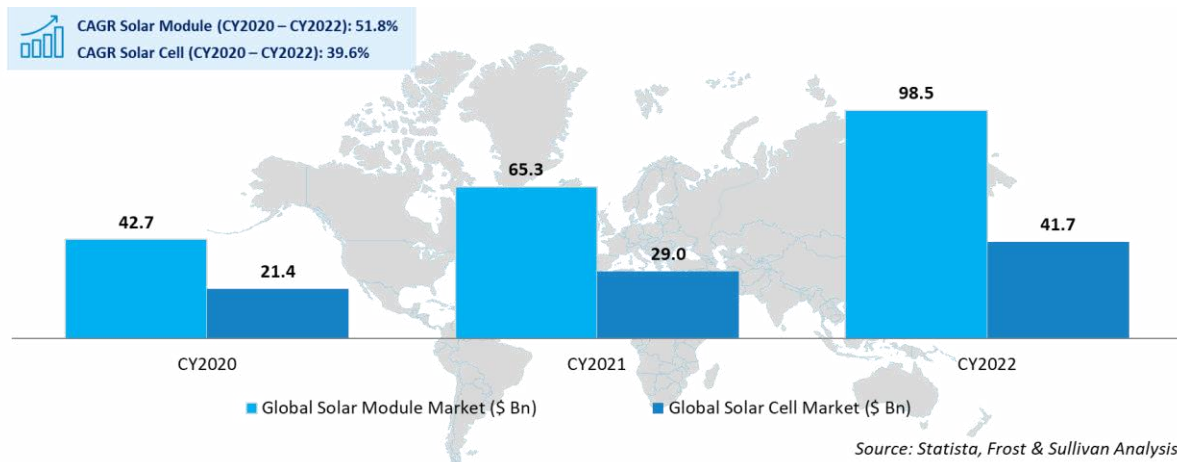


### Global solar module production, GW, CY2017 – CY2022



In value terms, the global solar module market size has been estimated at USD 98.5 billion in FY2022 – the market has grown at 51.8% CAGR in the last three years. On the other hand, solar cell market has grown at 39.6% CAGR to reach USD 41.7 billion in CY2022.

### Global solar module and cell market, USD Bn, CY2020 – CY2022

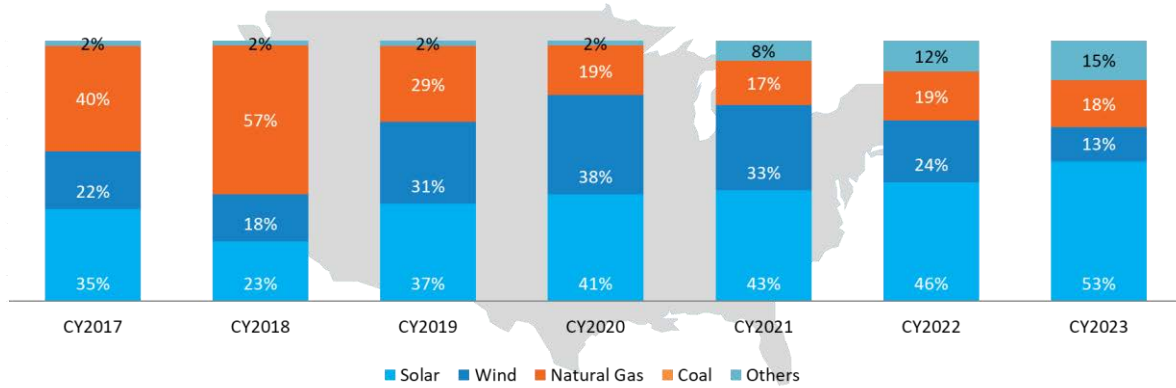


### Annual solar deployment in the U.S. crossed the 30 GW mark in CY2023; Module manufacturing capacity reached 16.1 GW; Solar cell manufacturing is yet to pick up

#### Solar PV accounts for 53% electricity generation capacity additions in CY2023

Solar PV accounted for 53% of electricity generation capacity additions in CY2023. The first full year under the IRA was record-setting for the U.S. solar industry, which deployed 32.4 GW of capacity. This significant surge in installations resulted in the industry’s most substantial year, grossly surpassing the 30 GW capacity threshold. For the first time, solar PV constituted more than half of new generating capacity, reflecting the sector’s significant contribution to the evolving energy landscape in the US.

### Electricity capacity addition trends by fuel sources, US, CY2017 – CY2023



Source: Woodmac, Frost & Sullivan Analysis

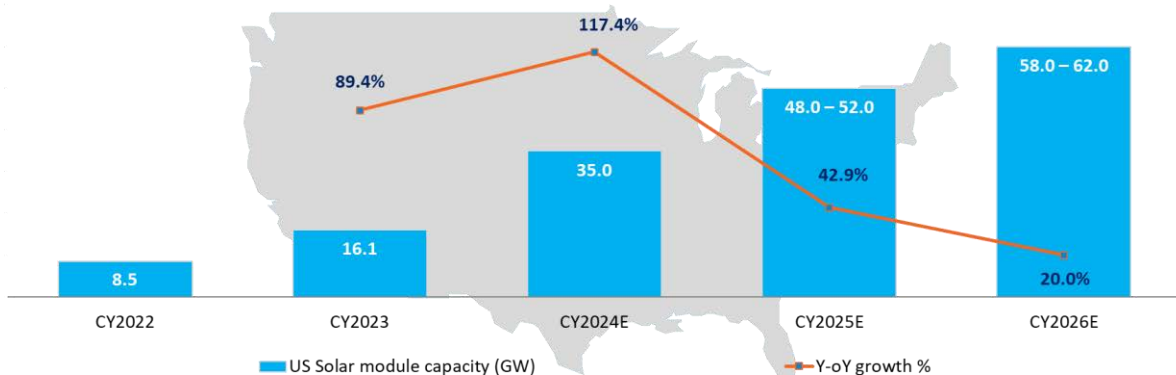
The growth observed in CY2023 across different segments of the solar industry stemmed from various contributing factors unique to each sector. Residential solar experienced a 12% increase, adding 6.8 GW of capacity, primarily driven by heightened installations in California. This surge was prompted by customers seizing the opportunity to benefit from more favorable net metering regulations before the transition to net billing in April.

Utility-scale installations experienced a significant surge, reaching 22.5 GW of capacity, marking a remarkable 77% increase over CY2022. This growth was facilitated by increased module import volumes throughout the year, as importers collaborated with Customs and Border Protection to ensure compliance with the Uyghur Forced Labor Prevention Act (“UFLPA”). Moreover, the temporary moratorium on new anticircumvention tariffs applicable to certain imports from four Southeast Asian countries including Vietnam, Malaysia, Cambodia and Thailand provided stability to the solar supply chain, albeit scheduled to end in June 2024.

#### Solar module manufacturing capacity in the United States and outlook

To reduce reliance on imported products, the government has implemented various measures, including anti-dumping duties on shipments from China and Taiwan. Additionally, the passing of the IRA in 2022 aims to bolster domestic manufacturing capabilities. In CY2023, the U.S.’s module manufacturing capacity has grown from 8.5 GW to 16.1 GW. To further strengthen the domestic manufacturing base, the Department of Energy has set an ambitious target of achieving an integrated manufacturing capacity of over 50 GW by CY2030. To support this goal, several key industry players have announced expansion plans to increase production capacity within the country.

#### Solar module manufacturing capacity in the United States, GW, CY2022 – CY2026E



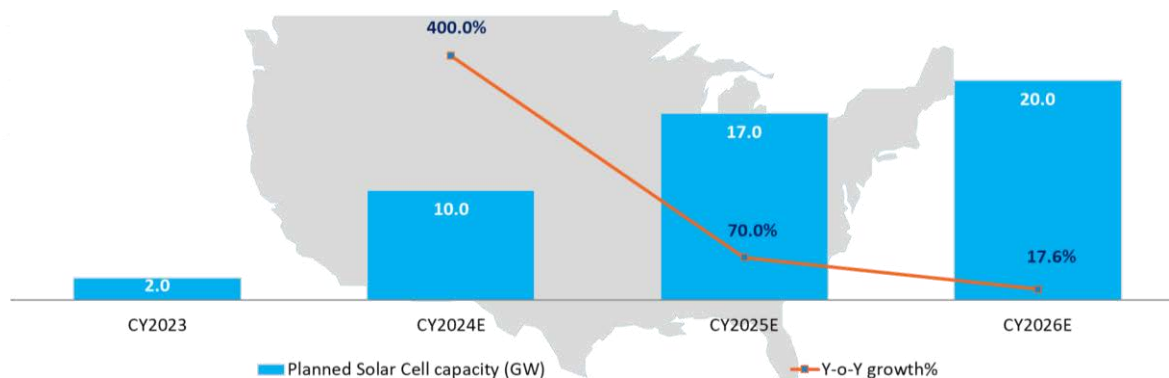
Source: Wood Mackenzie, Statista, Frost & Sullivan Analysis

#### Upcoming solar cell manufacturing capacity in the United States

The U.S. currently lacks domestic cell manufacturing capability. This disparity between module and cell capacity creates a flourishing demand for solar cells.

This is evident from the announced, under-construction and proposed expansion projects. These plans underscore the country's commitment to expanding renewable energy infrastructure and accelerating the transition towards a cleaner, more sustainable future.

### Upcoming solar cell manufacturing capacity in the United States, GW, CY2023 – CY2026E



Source: Statista, Frost & Sullivan Analysis

### Opportunity for Indian solar cell manufacturers

With limited domestic cell production, the US is heavily reliant on overseas suppliers to meet the demand for solar cells. This situation creates a lucrative opportunity for foreign solar cell manufacturers to capitalize on the burgeoning US solar market. By establishing a presence in the US or exporting cells to meet this growing demand, foreign manufacturers can gain a significant foothold in a rapidly expanding market.

A confluence of factors is propelling the rise of India as a major solar cell exporter to the US market. Firstly, US regulations like the IRA incentivize domestic solar panel manufacturing, potentially leading to a surge in demand for solar cells which is a key component. This presents a significant opportunity for Indian cell manufacturers. Additionally, existing regulations like Anti-Dumping Duties on Chinese imports make Indian cells a more attractive option for US companies. Furthermore, the UFLPA adds another layer of complexity for US businesses sourcing from China. Companies aiming to comply with the UFLPA would be more inclined to partner with Indian cell manufacturers to ensure ethical sourcing and avoid potential legal issues. Moreover, The U.S. market is particularly significant, with a growing demand for solar cells and solar modules that use materials with clear traceability due to certain policies and legislation. This convergence of factors positions India as a strategic partner for the US solar industry.

Premier Energies, the second largest solar cell manufacturer in India in terms of annual installed capacity at the end of FY2024, is also the largest solar cell exporter to the US market between April 2023 – Jan 2024. The company exported USD 31.1 million worth of solar cells to the US during this period.

## COMPETITIVE BENCHMARKING

### Operational benchmarking

India's solar manufacturing landscape involves as a well-established solar module manufacturing ecosystem and a limited number of solar cell manufacturing companies. In this section, Premier Energies has been benchmarked on the set of operational and financial parameters with key competitors in the Indian market.

#### Operational benchmarking of the key competitors

PARAMETERS	PREMIER ENERGIES	MUNDRA SOLAR	WAAREE ENERGIES	RENEW-SYS
Year of establishment	1995	2015	1989	2011
Annual installed module and cell capacity (GW)	3.36 + 2.00	4.00 + 4.00	12.00 + 0.00	1.85 + 0.13
% share of solar cell installed capacity	27.7%	55.6%	0%	1.8%
Integrated capacity (module + cell) (GW)	2.00	4.00	0.00	0.13
Technology	Polycrystalline and monocrystalline Si cells, monocrystalline PERC, polycrystalline	Multi-crystalline, mono PERC, and bifacial modules	Monocrystalline and polycrystalline modules, monocrystalline	Monocrystalline /multi-PERC, bifacial, half-cut and full-cell modules

PARAMETERS	PREMIER ENERGIES	MUNDRA SOLAR	WAAREE ENERGIES	RENEW-SYS
	modules, TOPCon equipped module line		PERC, bifacial, flexible modules, BIPV	

Source: Frost & Sullivan Analysis

### Operational benchmarking of the key competitors

PARAMETERS	VIKRAM SOLAR	GOLDI SOLAR	JUPITER SOLAR	WEBSOL
Year of establishment	2006	2011	1978	1990
Annual installed module and cell capacity (GW)	3.50 + 0.00	3.30 + 0.00	0.50 + 0.30	0.25 + 0.25
% share of solar cell installed capacity	0.0%	0.0%	4.2%	3.5%
Integrated capacity (module + cell) (GW)	0.00	0.00	0.30	0.25
Technology	Monocrystalline PERC mono-facial and bifacial, half-cut and full cell modules, poly-Si modules	Multi-crystalline PV cells, monocrystalline PERC cells	Monocrystalline, polycrystalline modules	Multi-crystalline cells, monocrystalline PERC, PECVD and TOPCon

Source: Frost & Sullivan Analysis

India's solar module installed manufacturing capacity reached approximately 60 GW at the end of FY2024. However, the country has an installed capacity of around 7.2 GW for solar cells at the end of FY2024. The domestic companies are increasingly focusing on backward integration and setting up integrated manufacturing facilities. Premier Energies emerged as a major player in the Indian solar PV manufacturing sector, having an integrated cell and module manufacturing capacity of 2.0 GW.

### Financial benchmarking

#### Revenue from operation of key competitors, value in ₹ million, FY2021 – FY2023

Company Name	FY2021	FY2022	FY2023
Premier Energies	7,014.6	7,428.7	14,285.3
Waaree Energies	19,527.8	28,542.7	67,508.7
Mundra Solar	29,248.7	25,719.6	15,924.8
Jupiter Solar	3,134.2	3,013.3	4,304.2
Vikram Solar	16,100.9	17,303.1	20,732.3
Goldi Solar	3,971.1	5,464.5	14,871.8
RenewSys India	7,902.1	11,919.5	17,914.2
Websol Green Energy	1,536.0	2,132.2	172.2

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

### Y-o-Y growth in Revenue from operations of key competitors, India, in percentage, FY2021 – FY2023

Company Name	FY2021	FY2022	FY2023
Premier Energies	-26.0%	5.9%	92.3%
Waaree Energies	-2.2%	46.2%	136.5%
Mundra Solar	24.2%	-12.1%	-38.1%
Jupiter Solar	19.2%	-3.9%	42.8%
Vikram Solar	-1.8%	7.5%	19.8%
Goldi Solar	0.0%	37.6%	172.2%
RenewSys India	-2.2%	50.8%	50.3%
Websol Green Energy	-21.5%	38.8%	-91.9%

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

Revenue growth = (Current year revenue – previous year revenue) / previous year revenue

### EBITDA of key competitors, India, value in ₹ million, FY2021-FY2023

Company Name	FY2021	FY2022	FY2023
Premier Energies	884.9	537.4	1,128.8
Waaree Energies	1,254.5	2,025.3	9,441.5
Mundra Solar	8,279.4	3,807.0	863.1
Jupiter Solar	1,042.4	498.1	219.6
Vikram Solar	1,945.6	714.1	2,048.6
Goldi Solar	187.2	233.2	911.5
RenewSys India	1,098.2	995.2	1,220.8
Websol Green Energy	380.6	310.1	-98.7

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

EBITDA is calculated as profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.

**EBITDA margin of key competitors, India, in percentage, FY2021 – FY2023**

Company Name	FY2021	FY2022	FY2023
Premier Energies	15.2%	7.0%	7.7%
Waaree Energies	6.3%	6.9%	13.8%
Mundra Solar	28.0%	14.6%	5.3%
Jupiter Solar	32.8%	16.4%	5.1%
Vikram Solar	12.0%	4.1%	9.8%
Goldi Solar	4.7%	4.2%	6.1%
RenewSys India	13.9%	8.3%	6.8%
Websol Green Energy	24.1%	14.2%	-48.8%

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

EBITDA margin is calculated as EBITDA divided by total income. Total income is calculated as revenue from operations and other income.

**PAT of key competitors, India, Value in ₹ million, FY2021 - FY2023**

Company Name	FY2021	FY2022	FY2023
Premier Energies	258.1	-144.1	-133.4
Waaree Energies	475.2	796.5	5,003.0
Mundra Solar	4,181.1	934.0	-3,513.9
Jupiter Solar	520.3	88.4	-357.5
Vikram Solar	381.5	-629.4	144.9
Goldi Solar	67.5	94.3	484.4
RenewSys India	503.2	479.7	461.1
Websol Green Energy	678.4	96.7	-236.9

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

### PAT Margin of key competitors, India, in percentage, FY2021 - FY2023

Company Name	FY2021	FY2022	FY2023
Premier Energies	3.5%	-1.9%	-0.9%
Waaree Energies	2.4%	2.7%	7.3%
Mundra Solar	14.1%	3.6%	-21.5%
Jupiter Solar	16.4%	2.9%	-8.3%
Vikram Solar	2.3%	-3.6%	0.7%
Goldi Solar	1.7%	1.7%	3.2%
RenewSys India	6.3%	4.0%	2.6%
Websol Green Energy	43.0%	4.4%	-117.1%

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

PAT Margin has been calculated as restated profit for the year during the given period as a percentage of total income during that period.

### RoE and RoCE of key competitors, India, in percentage, FY2021-FY2023

Company Name	ROE			RoCE		
	FY2021	FY2022	FY2023	FY2021	FY2022	FY2023
Premier Energies	10.4%	-4.7%	-3.2%	14.5%	3.6%	5.9%
Waaree Energies	14.8%	20.6%	44.2%	20.0%	23.7%	54.0%
Mundra Solar	75.3%	11.5%	-51.6%	33.7%	11.3%	-1.4%
Jupiter Solar	44.0%	2.9%	-33.5%	85.7%	24.6%	1.8%
Vikram Solar	9.8%	-16.4%	4.0%	16.9%	2.3%	13.2%
Goldi Solar	15.5%	18.3%	60.2%	18.4%	22.5%	31.2%
RenewSys India	8.7%	7.6%	6.8%	13.1%	9.4%	8.8%
Websol Green Energy	42.8%	5.0%	-12.4%	20.5%	35.0%	-48.4%

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

Return on Equity has been calculated as restated profit for the period/ year (owners share) / average total equity (excluding non-controlling interest); Return on capital employed has been calculated as restated profit before tax + finance cost/ by average capital employed where average capital employed is the average of opening and closing values of total equity (excluding non-controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill.

### Debt to equity ratio comparison of key competitors, India, FY2021 - FY2023

Company Name	FY2021	FY2022	FY2023
Premier Energies	1.56	1.15	1.86
Waaree Energies	0.73	0.73	0.15
Mundra Solar	1.99	1.79	2.38
Jupiter Solar	0.48	1.40	4.22
Vikram Solar	1.37	2.01	2.03
Goldi Solar	0.66	0.85	3.02
RenewSys India	0.05	0.27	0.46
Websol Green Energy	0.14	0.19	0.14

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

Debt to equity ratio has been calculated as debt divided by total equity (excluding non-controlling interest); Total Debt = Long-Term borrowings + Short-Term borrowings + Inter corporate loans + interest accrued+ lease liabilities.



## OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read “**Forward-Looking Statements**” on page 20 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 31 and 351, 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 Information included in this Draft Red Herring Prospectus. For further information, see “**Restated Consolidated Financial Information**” on page 280. Our financial year ends on March 31 of each year, so all references to a particular financial year / Fiscal are to the 12-month period ended March 31 of that year.

Unless the context otherwise requires, in this section, references to “we”, “us” and “our” are to Premier Energies Limited on a consolidated basis while references to “our Company” or “the Company”, are to Premier 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 “Industry Report on Solar Cell and Module Market” dated April 18, 2024 (the “**F&S Report**”) prepared and issued by Frost & Sullivan (India) Private Limited (“**F&S**”), appointed by us on February 6, 2024 and exclusively commissioned and paid for by us in connection with the Offer. A copy of the F&S Report is available on the website of our Company at <https://premierenergies.com/investor-relations/ipo-documents>. The data included herein includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. F&S is an independent agency and is not related to the Company, its Directors, Promoters or Selling Shareholders. There are no parts, data or information relevant for the proposed Offer, that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S 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**” on page 67. Also see, “**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data**” on page 17.

## OVERVIEW

Our Company has 29 years of experience in the solar industry and during this time, we have grown to become India’s second largest integrated solar cell and solar module manufacturer with an annual installed capacity of 2 GW and 3.36 GW, respectively, as of March 31, 2024. (Source: F&S Report) In relation to only solar cells, we are also the second largest domestic manufacturer in terms of annual installed capacity as of March 31, 2024. (Source: F&S Report)

Our business operations include (i) the manufacturing of solar photovoltaic (“**PV**”) cells, (ii) the manufacturing of solar modules including custom made panels for specific applications, (iii) the execution of EPC projects, (iv) independent power production, (v) O&M services with respect to EPC projects executed by our Company and (vi) the sale of other solar-related products.

As of the date of this Draft Red Herring Prospectus, we have five manufacturing facilities, all of which are situated on land that we own, in Hyderabad, Telangana, India. Combined, our manufacturing facilities have an annual installed capacity of 2 GW for solar cells and 3.36 GW for solar modules as of the date of this Draft Red Herring Prospectus. Our manufacturing facilities as of the date of this Draft Red Herring Prospectus are categorized as follows:

Manufacturing Facility	Entity	Products Manufactured	Annual Installed Capacity	Location
Unit I	Premier Energies	Solar module line	260 MW module	Sy. No. 53, 56P, 57, 60P, Annaram Village, Gummadidala – Mandal,

Manufacturing Facility	Entity	Products Manufactured	Annual Installed Capacity	Location
	Limited (“PEL”)			Sangareddy District 502313, Telangana, India
Unit II	PEPPL	Solar module and cell line	1,400 MW module and 750 MW cell  * IREDA has sanctioned a loan for implementation of 1,000 MW cell manufacturing facility and expected to be commissioned within Fiscal 2025	Plot No 8/B/1 and 8/B/2, Sy No 62 P 63, And 88 P, E City, Raviryala Village, Maheshwaram Mandal, Ranga Reddy 501359, Telangana, India
Unit III	PEIPL	Solar cell line	1,250 MW cell	
Unit IV	PEIPL	Solar module line	1,600 MW module	Plot No. S-95, S-96, S-100, S-101, S-102, S-103, S-104,
Unit V	PEGEPL	Solar module line	100 MW module  *IREDA has sanctioned a loan for implementation of 1,034 MW module manufacturing facility and expected to be commissioned within Fiscal 2025	Maheshwaram Mandal, Srinagar Village, Raviryal Industrial Area, FAB City, Rangareddy 501359, Telangana, India

We have taken steps such as ordering the necessary equipment and machines to (i) increase our annual installed capacity for solar modules by commissioning a 1,034 MW solar module line in Unit V which will be capable of assembling modules with solar cells which employ either TOPCon or HJT; and (ii) increase our annual installed capacity for solar cells by commissioning a 1,000 MW TOPCon solar cell line in Unit II. We have procured financing for these additional module and cell lines through IREDA, which has estimated project costs of ₹1,750 million and ₹6,694 million, respectively. We expect both additional cell and module lines to be ready within Fiscal 2025.

Our Unit II manufacturing facility is India’s first LEED gold rated solar manufacturing facility as certified by the U.S. Green Building Council (“USGBC”) v4 Building Design and Construction: New Construction and Major Renovations in August 2022. (Source: F&S Report) As of December 31, 2023, Unit II is equipped with a monocrystalline PERC solar cell line with an annual installed capacity of 0.75 GW and a dedicated solar module line with an annual installed capacity of 1.4 GW.

We established a 75 MW capacity solar cell manufacturing line in 2011 before becoming one of the first companies in India to manufacture solar cells at scale through the introduction of a solar cell line with an annual installed capacity of 500 MW in Fiscal 2021 and 250 MW in Fiscal 2022. (Source: F&S Report) The experience we gained through this process is one of the contributing factors which led to our development of India’s first bifacial monocrystalline PERC solar cell based on the M10 - 182mm x 182 mm format in 2022. (Source: F&S Report) On a monthly basis, we are able to manufacture up to 14 million M10 sized solar cells. Based on import data available for April 2023 to January 2024, we were also the largest Indian exporter of solar cells to the United States (99% market share), one of the largest markets for solar modules globally. (Source: F&S Report)

Since Fiscal 2017, India’s solar module manufacturing capacity has increased substantially, from 4.2 GW to 39.5 GW at the end of Fiscal 2023 at a compounded annual growth rate of 45.3%. (Source: F&S Report) The capacity has further increased to 60 GW in Fiscal 2024 and may cross 100 GW by Fiscal 2028. (Source: F&S Report) With the market for solar modules expected to continue to grow in India on account of ambitious government targets and increasing demand for clean energy (Source: F&S Report), we intend to capitalize on this growth momentum by utilizing a portion of the proceeds from the Fresh Issue towards expanding our current manufacturing capacities by commissioning an additional 4 GW TOPCon solar cell line and an additional 4 GW TOPCon solar module line. For further information, see “Objects of the Offer” on page 119.

Our EPC division has executed several projects in India including, among others, the establishment of a rooftop solar system, a canal top project and other large-scale solar power projects. These include a 100 MW project for

a Navratna public sector undertaking, a 20 MW canal bank and canal top project in Uttarakhand for a state government power generation company and 18 MW and 15 MW projects in Karnataka. For further information, see “*Our Business – Our Business Operations – EPC Solutions*” on page 219.

Our Company also operates a 2 MW solar power plant which was commissioned in 2012 under the Jawarharlal Nehru National Solar Mission in Jharkhand, India.

Our key customers across our business offerings include several IPPs, original equipment manufacturers (“OEMs”) and off-grid operators such as National Thermal Power Corporation Limited (“NTPC”), TATA Power Solar Systems Limited, Panasonic Life Solutions Private Limited (“Panasonic”), Continuum Green Energy (India) Private Limited (“Continuum”), Shakti Pumps (India) Limited (“Shakti Pumps”), First Energy 6 Private Limited, a Thermax Group Company (“First Energy”), Bluepine Energies Private Limited, Luminous Power Technologies Private Limited (“Luminous”), Hartek Solar Private Limited (“Hartek”), Green Infra Wind Energy Limited (a subsidiary of Sembcorp Green Infra Limited), Madhav Infra Projects Limited (“Madhav”), SolarSquare Energy Private Limited (“SolarSquare”) and Axitec Energy India Private Limited (“Axitec”). As of March 15, 2024, we had an order book of ₹53,620.51 million of which ₹11,974.98 million was in relation to non-DCR solar modules, ₹32,129.03 million was in relation to DCR solar modules, ₹8,015.92 million was in relation to solar cells and ₹1,500.57 million was in relation to EPC projects. For further information on our order book, see “*Our Business – Strengths – We have a diversified customer base with strong customer relationships both within India and overseas with a strong order book*” on page 211.

We have a professional and experienced management team led by our Promoters who have significant experience in the solar industry. Surender Pal Singh Saluja, our Chairman and Whole-Time Director, founded our Company in 1995 and oversees the operations and finance functions of our Company and its subsidiaries (the “Group”). Our Managing Director, Chiranjeev Singh Saluja, was instrumental in the growth in our operations to 2 GW annual installed capacity for solar cells and 3.36 GW annual installed capacity for solar modules as of the date of this Draft Red Herring Prospectus. We are also supported by our Key Managerial Personnel as well as our Senior Management. The experience of our management team has been critical in building our operations over the years.

In September 2021, we received investment of ₹1,770 million from South Asia Growth Fund II Holdings LLC and South Asia EBT Trust, affiliates of a global private equity management fund focused on investing in climate solutions.

Our financial performance over the last three Fiscals and the nine months ended December 31, 2023 in terms of our revenue from operations, EBITDA and profit / (loss) after tax are set forth in the table below for the years / period indicated. Our revenue from operations increased at a compounded annual growth rate (“CAGR”) of 42.71% from Fiscal 2021 to Fiscal 2023 and is calculated as follows:

*(CAGR is calculated as (Ending Value / Beginning Value) ^ (1 / Number of Years) – 1)*

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Nine months ended December 31, 2023
	(₹ million, except percentages)			
Revenue from operations	7,014.58	7,428.71	14,285.34	20,172.06
EBITDA <sup>(1)</sup>	884.66	537.38	1,128.81	3,088.57
EBITDA Margin <sup>(2)</sup>	12.02%	7.01%	7.71%	15.19%
Profit Before Tax	558.19	(156.91)	(77.60)	1,748.05
PBT Margin <sup>(3)</sup>	7.58%	(2.05)%	(0.53)%	8.60%
Profit after tax	258.07	(144.08)	(133.36)	1,274.02
PAT Margin <sup>(4)</sup>	3.51%	(1.88)%	(0.91)%	6.27%
ROE <sup>(5)</sup>	10.37%	(4.66)%	(3.18)%	26.77%*
ROCE <sup>(6)</sup>	14.47%	3.63%	5.94%	15.99%*

\* Not annualized.

**Notes:**

- (1) EBITDA is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.
- (2) EBITDA Margin is calculated as EBITDA divided by total income. Total income is calculated as revenue from operations and other income.
- (3) PBT Margin is calculated as restated profit before tax for the year / period divided by total income.
- (4) PAT Margin is calculated as restated profit after tax for the year / period divided by total income.

- (5) ROE is calculated as restated profit for the period / year (owners share) divided by average total equity (excluding non-controlling interest) whereas average total equity is the average of opening and closing total equity (excluding non-controlling interest) as disclosed in the Restated Consolidated Financial Information.
- (6) ROCE is defined calculated as EBIT divided by average capital employed where (a) EBIT is EBITDA less depreciation and amortization and (b) average capital employed is the average of opening and closing values of total equity (excluding non-controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill).

The table below provides details of our segmented income as a percentage of our revenue from operations for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
<b>Income from sale of manufactured goods</b>	<b>3,327.67</b>	<b>47.44</b>	<b>3,179.01</b>	<b>42.79</b>	<b>11,422.47</b>	<b>79.76</b>	<b>17,689.00</b>	<b>87.69</b>
- Sale of solar cells	—	—	336.01	4.52	1,856.26	12.99	4,037.30	20.01
- Sale of solar modules	3,327.67	47.44	2,843.00	38.27	9,566.51	66.97	13,651.70	67.68
<b>Income from sale of traded goods</b>	<b>818.46</b>	<b>11.67</b>	<b>2,379.02</b>	<b>32.02</b>	<b>1,669.72</b>	<b>11.69</b>	<b>1,385.35</b>	<b>6.87</b>
- Sale of solar modules	—	—	—	—	549.31	3.85	653.43	3.24
- Sale of solar cells	61.64	0.88	744.45	10.02	768.03	5.38	576.50	2.86
- Sale of solar accessories and silicon wafers	756.82	10.79	1,634.57	22.00	352.38	2.47	155.42	0.77
<b>Revenue from power supply</b>	<b>39.13</b>	<b>0.56</b>	<b>40.47</b>	<b>0.54</b>	<b>42.87</b>	<b>0.30</b>	<b>29.38</b>	<b>0.15</b>
<b>Income from contracts</b>	<b>2,829.32</b>	<b>40.33</b>	<b>1,830.21</b>	<b>24.64</b>	<b>1,138.44</b>	<b>7.97</b>	<b>1,034.62</b>	<b>5.13</b>
- Construction and project-related activities	2,724.32	38.84	1,812.80	24.40	1,103.74	7.73	1,034.13	5.13
- Technical know how - Consultation	105.00	1.50	17.41	0.23	34.7	0.24	0.49	0.00
<b>Other operating revenue</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>11.54</b>	<b>0.08</b>	<b>33.71</b>	<b>0.17</b>
- Job work services	—	—	—	—	4.49	0.03	14.35	0.07
- Sale of scrap	—	—	—	—	7.05	0.05	19.36	0.10
<b>Total</b>	<b>7,014.58</b>	<b>100.00</b>	<b>7,428.71</b>	<b>100.00</b>	<b>14,285.34</b>	<b>100.00</b>	<b>20,172.06</b>	<b>100.00</b>

The table below provides details of our revenue from domestic and export sales as a percentage of our revenue from operations for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
Revenue from domestic sales	6,923.92	98.71	7,360.59	99.08	14,210.38	99.48	16,727.13	82.92
Revenue from export sales	90.66	1.29	68.12	0.92	74.96	0.52	3,444.93	17.08

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
<b>Total</b>	<b>7,014.58</b>	<b>100.00</b>	<b>7,428.71</b>	<b>100.00</b>	<b>14,285.34</b>	<b>100.00</b>	<b>20,172.06</b>	<b>100.00</b>

We have a focus on sustainability and have adopted several environment, social and governance (“ESG”) strategies and initiatives to, among others, lower our carbon footprint. For example, we use a zero liquid discharge system to recycle 100% of the water used in our manufacturing processes – 91% of such water is recovered for reuse while 9% is lost through evaporation. We also have a 6.61 MW of solar panels installed on the roofs of our manufacturing facilities which provides 10% of the power consumption requirements for the manufacturing facilities as of March 2024. See “*Our Business – Our Business Operations – Environment, Social and Governance*” on page 231. Through this and other endeavors, we have been recognized with awards such as winner in the category of Leading Renewable Energy Manufacturers and Excellence in Sustainability in the 2023 Renewable Energy India Awards, Best Sustainability Practices – Silver Category award by the Government of Telangana’s Industrial and Commerce Department in the Industry Awards 2022, among others. For more details, see “*Our Business – Our Business Operations – Awards*” on page 230.



Ultra-pure water generation plant at Unit II



6.61 MW solar rooftop plant

## STRENGTHS

We benefit from the following strengths:

*We are India’s second largest integrated solar cell and solar module manufacturer as well as India’s second largest solar cell manufacturer*

As of March 31, 2024, we are India’s second largest integrated solar cell and solar module manufacturer as well as India’s second largest solar cell manufacturer. (Source: F&S Report) As of the date of this Draft Red Herring Prospectus, we have an aggregate annual installed capacity of 2 GW for solar cells and 3.36 GW for solar modules.

The table below shows how our solar cell and solar module annual installed capacity has increased over the past 25 years to reach our current annual installed capacity as of the date of this Draft Red Herring Prospectus and also shows our long track record in the solar module manufacturing space:

Year	Milestone	Total Solar Cell Capacity	Total Solar Module Capacity
2011	Established a solar cell line with an annual capacity of 75 MW and a solar module line with an annual capacity of 100 MW in Unit I	75 MW	100 MW
2017	Expanded the installed capacity of the solar module line in Unit I by 370 MW	75 MW	470 MW
2021	Established a fully integrated 500 MW capacity solar cell line and a 750 MW capacity solar module line in Unit II	500 MW <sup>(1)</sup>	1,220 MW
2022	Expanded the installed capacity of the solar cell and module lines in Unit II by 250 MW and 150 MW, respectively	750 MW	1,370 MW
2023	<ul style="list-style-type: none"> <li>Established a solar cell line in Unit III with an annual capacity of 1,250 MW</li> <li>Established a solar module line in Unit IV with an annual capacity of 1,600 MW</li> <li>Expanded the installed capacity of the solar module line in Unit II by 500 MW</li> </ul>	2,000 MW	3,260 MW <sup>(2)</sup>
2024	Established a solar module line in Unit V with an annual capacity of 100 MW	2,000 MW	3,360 MW

**Notes:**

- (1) Retired the 75 MW capacity solar cell manufacturing line in Unit I in 2018.  
(2) Reduced the installed capacity of the solar module line in Unit I by 210 MW.

The table below shows our capital expenditure in relation to the expansion of our solar cell and solar module annual installed capacity for the past three Fiscals and up to March 31, 2024:

Manufacturing Unit	Subsidiary	Product	Annual Installed Capacity	Date of Commissioning	IREDA Appraised Project Cost (₹ million)	Actual Capital Expenditure (₹ million)
Unit II	PEPPL	Cell	500 MW	May 26, 2021	2,250.00	4,118.85
Unit II	PEPPL	Cell	250 MW	June 22, 2022	1,420.00	
Unit II	PEPPL	Module	750 MW	July 2, 2021	1,258.30	1,276.25
Unit III	PEIPL	Cell	1,250 MW	October 4, 2023	4,995.50	4,481.98
Unit IV	PEIPL	Module	1,600 MW	December 31, 2023	2,004.50	2,019.47
Unit V	PEGEPL	Module	100 MW	March 12, 2024	—	38.29
Unit II	PEPPL	Cell	1,000 MW	Expected within Fiscal 2025	6,694.00	Nil
Unit V	PEGEPL	Module	1,034 MW	Expected within Fiscal 2025	1,750.00	1,077.25

At present, we manufacture our solar cells and solar modules across five manufacturing facilities, all of which are situated on land that we own, in Hyderabad, Telangana. We use industrial-grade automated tools throughout our manufacturing facilities. Currently in Units I, IV and V, we only manufacture solar modules while in Unit II, we manufacture both solar cells and solar modules and in Unit III, we only manufacture solar cells. We are on course to commission an additional solar module line in Unit V with an annual installed capacity of 1,034 MW and a TOPCon solar cell line in Unit II with an annual installed capacity of 1,000 MW within Fiscal 2025. See “*Our Business – Our Business Operations – Credit Ratings and Debt Raising*” on page 232.

Our backward integration and integrated structure helped us gain access to the market for Domestic Content Requirement (“DCR”) solar modules which requires solar cells and modules to be manufactured in India. (Source: F&S Report) With government initiatives like the PM-KUSUM Scheme and the CPSU scheme in play, there is an emphasis on the utilization of DCR solar modules within the domestic solar market. (Source: F&S Report) Similarly, the recent Grid Connected Solar Rooftop Programme, a government scheme that aims to provide free

electricity to 10 million households in India by providing households with a subsidy to install solar rooftop systems on the roof of their homes, also exclusively requires the utilization of DCR solar modules. (Source: F&S Report) These programs are essential as they provide a framework for the adoption and use of domestically-produced solar products. We believe we are well insulated from new entrants into the integrated solar cell and module manufacturing industry owing to high entry barriers such as high capital expenditure, technical expertise and long lead times of approximately 15 to 18 months in order to establish a manufacturing line and approximately six to nine months to operationalize and stabilize the manufacturing line and process. These high entry barriers, coupled with our status as an established and sizeable integrated player, holds us in good stead compared to new entrants for such government initiatives and tenders. (Source: F&S Report)

Our integrated status supports our overseas revenue streams especially from countries such as the United States owing to our products, particularly our solar cells, being manufactured in India, thereby providing such overseas customers with comfort with respect to the traceability of the components we use in our manufacturing process. Such traceability is especially important for countries such as the United States which have strict policies on the origination of raw materials and components. See “**Our Business – Our Business Operations – Raw Materials and Components**” on page 223. For the nine months ended December 31, 2023, we were the largest Indian exporter of solar cells to the United States (99% market share), which is one of the largest markets for solar panels globally (Source: F&S Report), with a total of 230.75 MW of solar cells exported globally.

Furthermore, our ability to produce both solar cells and solar modules affords us greater cost and quality control across our operations. For further details of our quality control processes, see “**Our Business – Our Business Operations – Quality Control, Testing and Certifications**” on page 228.

Our depth of experience in both solar cell and solar module manufacturing, our established market presence, track record of capacity enhancements, and vertical integration have not only resulted in us achieving our present market position, but also poise us to seize growth opportunities in the solar energy industry within India and overseas.

#### ***We have a long track record in the solar module manufacturing sector***

We commenced solar module manufacturing in 1999 and have grown this to 3.36 GW annual installed capacity as of the date of this Draft Red Herring Prospectus. This includes the 1,600 MW annual installed capacity module line commissioned in Unit IV in December 2023 which is equipped with TOPCon technology.

Further, all our solar module production lines (save for Unit I) are automated. This is important as this reduces the incidence of human error and possible degradation in the quality of the modules we produce.

Through our long track record in the solar module manufacturing industry, we have been able to build up recognition for our brand and have established our credentials. Our strength in module production is evidenced by awards such as 12 of our modules being recognized as “top performers” in module reliability from PV Evolution Labs (“**PVEL**”) in PVEL’s PV Module Reliability Scorecard in 2023. Such recognition has aided us in becoming a supplier of modules to IPPs like Continuum, First Energy and other EPC players. We are also an OEM provider for several business-to-consumer companies such as Panasonic, Luminous and Axitec, among others. Our relationships with international companies have provided us with significant experience in international best practices especially in the field of quality manufacturing.

#### ***We have technical expertise in solar cell line production***

In 2022, we completely transitioned from the production of polycrystalline solar cells to monocrystalline PERC solar cells owing to higher efficiencies provided by the latter. (Source: F&S Report) Now, we have plans to transition towards the manufacturing of TOPCon solar cells given the even greater efficiencies afforded by such cells which are capable of achieving efficiencies between 24.5% to 25.2% compared to between 23.2% to 23.7% for PERC cells. (Source: F&S Report) We believe the ability to adapt to new and ever-changing technologies, as evidenced by our transition from polycrystalline cells to monocrystalline cells and now to TOPCon cell technology, is one of our key strengths.

Solar cell production is a complex and technical process within the solar module production value chain which requires multiple chemical and gas-based steps and encompasses intricate procedures such as texturing, diffusion, selective emitter laser, polishing and oxidation annealing to convert raw silicon wafers into solar cells. (Source: F&S Report) While the annual installed capacity for solar modules in India has increased from 7.6 GW in Fiscal 2020 to an expected 60 GW in Fiscal 2024, representing an increase of 52.4 GW during this period, the annual



installed capacity for solar cells has only increased by 6.2 GW, from 1.0 GW in Fiscal 2020 to an expected 7.2 GW in Fiscal 2024. (Source: F&S Report) This is partially due to the high capital expenditure, technical know-how and long lead times in set-up and process stabilization required in connection with solar cell manufacturing. For more details on the solar cell manufacturing process, see “**Our Business – Our Business Operations – Solar Cell Manufacturing – Manufacturing Process**” on page 225. We have accrued considerable technical expertise and experience in the intricacies of the solar cell production process and understand that the process involves a steep learning curve and that long lead times are required in order to not only simply set up a solar cell line but to also stabilize the production process and only once that is done, can the optimization of solar cell efficiencies be pursued. We believe that expertise over the production process is crucial to ensure quality control, requiring extensive process knowledge, precise optimization and effort to achieve the desired cell efficiencies and yields.

Our experience in the cell manufacturing process means we can bypass the initial stabilization lead times for new lines, which we believe is a competitive advantage over newer market participants. We believe that we are well-positioned to capitalize on opportunities in the solar cell market through better technologies as we transition into TOPCon cell production technology, the upgradation to which is supported by the manufacturing facilities and equipment we currently have. Through the proposed 1,000 MW TOPCon solar cell line which we expect to bring online in Unit II within Fiscal 2025, we expect to gain significant experience as we establish the 4 GW TOPCon solar cell and 4 GW solar module lines using the proceeds of the Fresh Issue. Also see “**Objects of the Offer**” on page 119.

Our technical expertise in solar cell manufacturing is also due to the talent that we are able to attract and retain. As of December 31, 2023, we have a 28-member research, development and process team that has gained experience in solar cell process optimization. We have developed a research and development lab with tools and equipment including a sheet resistance tester, a spectroscopic ellipsometer, lifetime and thickness measurement tools and a long working distance, macro ringlight.

***We have a diversified customer base with strong customer relationships both within India and overseas with a strong order book***

Our aggregate annual installed capacity and market position enables us to offer competitive pricing for our products, which in turn facilitates access to a large and diversified customer base, both domestic and global. As of the date of this Draft Red Herring Prospectus, our domestic customers are located and operate in 23 states and union territories in India and for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023, our total number of customers from India was 151, 165, 193 and 164, respectively, while our total number of customers from overseas markets was 10, 8, 6 and 23, respectively. Some of our domestic customers are Continuum, Shakti Pumps, First Energy, Hartek, Amplus KN One Power Private Limited, SolarSquare, Rotomag Motors and Controls Private Limited and Madhav, and our global customers include Arka Energy Inc. (U.S.A).

**PAN INDIA CUSTOMER PRESENCE**



\* Map not to scale

The table below provides details of our revenue from operations for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023, by each customer segment:



Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
<b>Domestic</b>	<b>6,923.92</b>	<b>98.71</b>	<b>7,360.59</b>	<b>99.08</b>	<b>14,210.38</b>	<b>99.48</b>	<b>16,727.13</b>	<b>82.92</b>
- IPP	1,205.33	17.18	1,792.86	24.13	3,166.44	22.17	7,746.58	38.40
- OEM	1,572.22	22.41	2,337.27	31.46	5,825.20	40.78	2,849.59	14.13
- Government	2,172.55	30.97	1,692.14	22.78	1,727.28	12.09	1,452.96	7.20
- Others	1,973.82	28.14	1,538.32	20.71	3,491.46	24.44	4,678.01	23.19
<b>Export</b>	<b>90.66</b>	<b>1.29</b>	<b>68.12</b>	<b>0.92</b>	<b>74.96</b>	<b>0.52</b>	<b>3,444.93</b>	<b>17.08</b>
<b>Total</b>	<b>7,014.58</b>	<b>100.00</b>	<b>7,428.71</b>	<b>100.00</b>	<b>14,285.34</b>	<b>100.00</b>	<b>20,172.06</b>	<b>100.00</b>

Maintaining strong relationships with our key customers is critical to our business strategy and to the growth of our business. The table below provides details of our revenue from our largest customer, top five customers and top 10 customers (the identities of which varied between fiscal years and periods) compared to our revenue from operations for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
Largest customer	987.41	14.08	1,473.44	19.83	2,623.60	18.37	2,323.45	11.52
Top 5 customers	3,325.61	47.41	3,736.32	50.30	8,185.86	57.30	10,014.08	49.64
Top 10 customers	4,526.03	64.52	4,918.01	66.20	10,794.63	75.56	15,049.48	74.61

As of March 15, 2024, we had an order book of ₹53,620.51 million of which ₹11,974.98 million was in relation to non-DCR solar modules, ₹32,129.03 million was in relation to DCR solar modules, ₹8,015.92 million was in relation to solar cells and ₹1,500.57 million was in relation to EPC projects. The order book above also includes the order we received from NTPC in December 2023 for the supply of 611.04 MW bifacial solar modules. With respect to this order, we had initially submitted a bid to supply 152 MW of solar modules, but we were subsequently invited to increase the supply to 611.04 MW through a bucket-filling mode. We also have a four year module supply agreement with an Indian renewable power producer for the supply of up to 600 MW of solar modules per fiscal year with minimum offtake of 300 MW per annum with effect from April 1, 2026 and in April 2024, we entered into a letter of understanding for the supply of 500 MW of solar cells to a customer based in the United States.

The table below sets out more details on our order book as of March 15, 2024:

Customer Name Mask	Product	Order Date	Total Order value in ₹ Mn (ex GST)	Balance Order value In ₹ Mn (ex GST)
Indian Power Utility	DCR Module	December 1, 2023	14,878.82	13,948.80
Navratna Company	DCR Module	July 24, 2023	8,157.75	6,927.88
Solar EPC Company	Module	June 30, 2023	445.28	141.65
Independent Power Producer	Module	July 27, 2023	604.60	604.60
Independent Power Producer	Module	March 6, 2023	180.85	180.85
BSE Listed Pump and Motor Manufacturing Company	DCR Module	August 7, 2023	14,089.70	11,022.38

Customer Name Mask	Product	Order Date	Total Order value in ₹ Mn (ex GST)	Balance Order value In ₹ Mn (ex GST)
Independent Power Producer	Module	August 17, 2023	1,303.99	973.63
Independent Power Producer	Module	October 13, 2023	575.66	575.66
Independent Power Producer	Module	November 21, 2023	1,099.55	1,099.55
OEM	Module	Master supply agreement dated September 29, 2021 and March PO dated February 15, 2024	471.95	394.40
Distributor	Module	Resellers annual module supply agreement dated March 5, 2024	1,927.80	1,927.80
Solar EPC Company	DCR Module	December 22, 2023	392.63	229.97
Independent Power Producer	Module	December 28, 2023	5,950.45	5,950.45
Independent Power Producer	Module	March 12, 2024	126.40	126.40
Module Manufacturer	Cell – Domestic	November 15, 2023	832.45	713.19
Module Manufacturer	Cell – Domestic	November 21, 2023	505.64	331.37
Module Manufacturer	Cell – Domestic	January 11, 2024	126.80	15.43
Module Manufacturer	Cell – Domestic	February 10, 2024	884.87	884.87
Module Manufacturer	Cell – Domestic	February 10, 2024	1,264.10	1,264.10
Module Manufacturer	Cell – Domestic	February 10, 2024	379.23	359.92
Module Manufacturer	Cell – Domestic	February 27, 2024	4,682.15	4,447.03
State Government Agency	Solar Water Pump-DCR Module-KUSUM	December 28, 2023	14.46	14.46
State Government Agency	Solar Water Pump-DCR Module-KUSUM	February 23, 2024	2.17	2.17
State Government Agency	Solar Water Pump-DCR Module-KUSUM	October 31, 2023	1,068.30	914.90
State Government Agency	Solar Water Pump-DCR Module-KUSUM	February 22, 2024	50.46	50.46
State Government Agency	Solar Water Pump-DCR Module-KUSUM	March 13, 2024	518.58	518.58
			<b>60,534.65</b>	<b>53,620.51</b>

As we further expand our solar cell and solar module manufacturing capacities and enhance our brand in India and globally, we seek to continue developing new customer relationships in a wider range of markets.

***We have an experienced Promoter-led senior management team with demonstrated execution capabilities***

We are led by our Promoters comprising our Chairman and Whole-Time Director, Surender Pal Singh Saluja and our Managing Director, Chiranjeev Singh Saluja, who have a combined experience of approximately 29 years in the solar industry and who have been responsible for the experience we have across our operations including solar module and solar cell manufacturing and the EPC projects that we undertake. Each of our Promoters is actively involved in the critical aspects of our business. Surender Pal Singh Saluja is responsible for providing strategic advice to the Board, and developing and executing our Company's business strategies. Chiranjeev Singh Saluja is responsible for the overall operations of our Company and leading our Company's short and long-term strategy and setting strategic goals.

Apart from our Promoters, we also have a management team with considerable industry experience that comprises senior executives with extensive experience in solar manufacturing and business administration roles.

In particular, we benefit from the support and experience of:

- our Group Chief Financial Officer, Nand Kishore Khandelwal, who is responsible for finance function, strategic planning and information technology in our Company and has been associated with our Company since September 1, 2023;
- our Company Secretary, Legal and Compliance Officer, Ravella Sreenivasa Rao, who is responsible for secretarial, legal, and compliance-related functions in our Company and has been associated with our Company since March 24, 2022;
- our Executive Director, Ms. Revathi Rohini Buragadda, who is responsible for overseeing indirect taxation, relations with governmental agencies, and general insurance for our Company and its Subsidiaries and has been associated with our Company since June 17, 2019;
- our Chief Strategy Officer and Director of our Subsidiary, PSPPL, Sudhir Moola, who is responsible for strategic and capital expansion plans across our Company and Subsidiaries and has been associated with PSPPL since April 1, 2018;
- our Chief Growth Officer, Adapa Srinivas, who is responsible for the business development, sales and marketing functions of our Company and has been associated with our Company since March 13, 2024; and
- Chandra Mauli Kumar, Head – Manufacturing and Technology of our Subsidiary, PEPPL, who is responsible for production, engineering, projects and setting up cell and module lines in our Company and Subsidiaries and has been associated with PEPPL since March 8, 2022.

For more details, please see “*Our Management*” on page 257.

## **BUSINESS STRATEGIES**

We intend to capitalize on growth opportunities by leveraging our competitive strengths and pursuing the following strategies.

### ***Expand our overseas presence and increase our exports especially in the U.S. market through strategic backward integration of our production chain and establishing manufacturing capabilities outside of India***

We have a presence in various steps along the solar power value chain from the manufacturing of solar cells to solar modules to providing EPC solutions, O&M services and being an independent power producer. We were one of the first in the Indian solar sector to engage in the backward integration of solar cell manufacturing with solar module production. (*Source: F&S Report*) We are continuing in this direction, aiming to extend our backward integration to include the production of ingots and wafers which are crucial elements in the production process of solar cells and will improve our resilience against market and supply fluctuations. Once implemented, we intend to utilize these components for our own solar cell production needs and also offer wafers in the market. The move towards further integration is strategically aimed at improving cost efficiency, strengthening supply chain management and enhancing the overall quality and efficiency of our solar cells. In managing more of the production process, our goal is to ensure better traceability of the components we use in our manufacturing process, particularly for “clean silicon” solar cells – a term that signifies raw materials sourced from ESG-compliant sources and vendors and is of growing significance in the export market. (*Source: F&S Report*)

We understand that traceability is particularly important for customers in certain countries, and we accordingly aim to attract customers who are seeking alternatives to products which rely on raw materials connected to forced labor by producing and providing “clean silicon” products. The U.S. market is particularly significant, with a growing demand for solar cells and solar modules that use materials with clear traceability due to certain policies and legislation. (*Source: F&S Report*) We aim to seize this opportunity by offering products such as TOPCon cells and modules which use TOPCon cells that align with these regulatory requirements.

We also plan to expand our manufacturing footprint into the United States and to this end, we signed a letter of intent in February 2024 with an American solar manufacturer to enter into a joint venture to develop, construct and operate a TOPCon solar cell manufacturing facility (which may be extended to include the manufacturing of

solar modules) in the United States. 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, cash flows, results of operations and prospects**” on page 57. Under the terms of the letter of intent, our Subsidiary, PEPPL, intends to among others contribute its technology, engineering and operational expertise in the manufacture of solar cells to the joint venture while our potential joint venture partner intends to, among others, contribute their human resources, financial resources, supply chain and logistics and regulatory expertise. We also signed a memorandum of understanding in April 2024 with, among others, an international solar wafer and solar module manufacturer and an international semiconductor wafer supplier to establish a new company dedicated in wafering solar bricks into wafers in Malaysia.

The European market may also become more accessible with the anticipated implementation of the European Union’s Carbon Border Adjustment Mechanism, a scheme aimed at reducing global carbon emissions and preventing “carbon leakage”, where companies might transfer production to countries with less stringent greenhouse gas emissions controls, in 2025. (Source: F&S Report)

To reduce reliance on imported products, the government has implemented various measures, including anti-dumping duties on shipments from China and Taiwan which is expected to benefit our export activities. This environment is fostering a ‘China Plus One’ strategy in the industry, encouraging the diversification of manufacturing bases. These positive external factors coupled with favorable labor costs and government support and incentives position India as an attractive and competitive location for solar manufacturing. (Source: F&S Report)

#### ***Develop and grow our rooftop solar offering***

For the past decade, we have established ourselves as an OEM in the rooftop market for companies such as Panasonic, Luminous and Axitec. With the recent announcement of the Grid Connected Solar Rooftop Programme, which aims to equip 10 million homes in India with rooftop solar systems, the rooftop solar segment in India is anticipated to expand substantially due to an increased need for DCR modules, which is a prerequisite for applicants to avail themselves of the subsidies. The Grid Connected Solar Rooftop Programme is expected to generate 25 GW to 30 GW of rooftop solar installation opportunities over the next two to three years (Source: F&S Report) and we intend to capitalize on and meet this demand by tapping on our OEM status and using our channels sales across different states in India, an approach that is expected to enhance our brand recognition.

#### ***Capitalize on available market opportunities to grow our domestic business***

We intend to continue growing our operations and presence in India’s solar sector especially given the favorable regulatory environment and several government initiatives geared towards encouraging domestic production of solar cells and solar modules. For instance, the GoI’s DCR requires the use of locally produced solar cells and solar modules, adhering to the standards and testing criteria established by the Ministry of New and Renewable Energy, Government of India (“MNRE”). With our ability to produce DCR-compliant solar cells and solar modules at scale and with the demand for DCR modules in India currently outpacing the production capacity of solar cells (Source: F&S Report), we believe we are ideally positioned to expand our manufacturing capabilities by capitalizing on this market opportunity. Our Subsidiary, PEPPL, is on the ALMM, a list of models and manufacturers of solar modules which have been approved by the MNRE for use in solar projects in India such as government projects, government-assisted projects, and projects under government schemes and programs, including projects set up for the sale of electricity to the government. Further support comes from various governmental schemes aimed at promoting domestic solar module usage including the CPSU scheme, the PM-KUSUM Scheme and the aforementioned Grid Connected Solar Rooftop Programme. Some of these schemes offer central financial assistance or a viability gap funding element to bridge the price gap between imported and domestic solar cells and modules. Utilizing domestically manufactured DCR cells and modules is a prerequisite for accessing some of such financial support from the government or to participate in such schemes. (Source: F&S Report) Additional domestic market opportunities include, among others, Indian Railways’ move to electrify its railway tracks. (Source: F&S Report)

We previously benefitted from capital subsidies offered by the state and central governments such as M-SIPS and SPECS and we intend to continue to avail these and other state and central subsidies and incentives moving forward if available. In Fiscal 2023, our Subsidiary, PEPPL, received M-SIPS subsidies of ₹327.66 million. As of December 31, 2023, we have claimed further capital subsidy receivables from the Government of Telangana of ₹338.64 million which will be recognized only on receipt.

Further, the imposition of a basic customs duty of 40% on imported solar modules and 25% on imported solar cells, which became effective from April 1, 2022, by the Indian government, is another policy from which we benefit owing to the policy’s ultimate aim of bolstering local manufacturing of solar components and curtailing India’s import dependency. This duty applies to all solar module and solar cell imports, irrespective of the country of origin, thus making domestically produced solar cells and solar modules more attractive to domestic solar players. (Source: F&S Report)

**Expanding and upgrading manufacturing capacities using the latest technology**

We are strategically focused on regularly updating and improving our manufacturing capabilities and infrastructure. We do this by adopting the latest technologies available to ensure our position in the solar cell and solar module manufacturing industry. Our transition from polycrystalline to monocrystalline solar cells and being the first in India to manufacture M10 bifacial cells, reflects our proactive approach. (Source: F&S Report) We are now moving towards the production of solar cells with TOPCon technology, a process capable of reaching efficiencies of between 24.5% to 25.2%. (Source: F&S Report) We are committed to maintaining our position at the forefront of solar technology and continuing to meet the market’s developing needs by enhancing the efficiency and performance of our solar cells. Within Fiscal 2025, we plan to commission a new 1,000 MW annual installed capacity production line for TOPCon solar cells in Unit II. Additionally, we aim to allocate a portion of the proceeds from the Fresh Issue towards establishing additional TOPCon solar cell and solar module lines each with an annual installed capacity of 4 GW, at a new manufacturing facility. For further details, please see “**Objects of the Offer**” on page 119.

TOPCon cells offer several benefits including higher efficiency, less degradation, and enhanced performance under high temperatures, making them suitable for various climates and increasing their appeal in the market. TOPCon technology is also designed to be compatible with our existing PERC production lines. (Source: F&S Report) This allows us to upgrade our existing facilities with minimal disruption and without the need for extensive overhauls. See “**Our Business – Our Business Operations – Manufacturing Process – Solar Cell Manufacturing**” on page 225. The strategic nature of this compatibility helps to reduce both the downtime and the financial investment associated with technology transitions, facilitating a smoother integration.

Moving along with advancements in the industry, we will continue our focus on improving our processes through further automation using the most optimal equipment available in our production lines as well as sourcing equipment from Europe to reduce supplier concentration.

**OUR BUSINESS OPERATIONS**

Our group structure as of December 31, 2023 is as follows:



**Notes:**

- (1) Non-operating.
- (2) As of December 31, 2023, Premier Energies Photovoltaic LLC has yet to commence operations.
- (3) For further details, see “**Our Subsidiaries and Associates**” on page 251.

## Product Portfolio

We specialize in the production of solar cells and modules which are marketed under the “Premier Energies” brand name.

### Solar Cell

We currently produce our solar cells using monocrystalline PERC technology, which has higher efficiency than polycrystalline solar cells. The solar cells are regarded as high-end solar products, are space efficient and long lasting, and have a more streamlined appearance. (Source: F&S Report)

We manufacture bifacial monocrystalline PERC cells using the M10 wafer size in a 182mm x 182mm format which was a first in India. (Source: F&S Report) These solar cells have a specially etched surface which enhances their ability to absorb light.

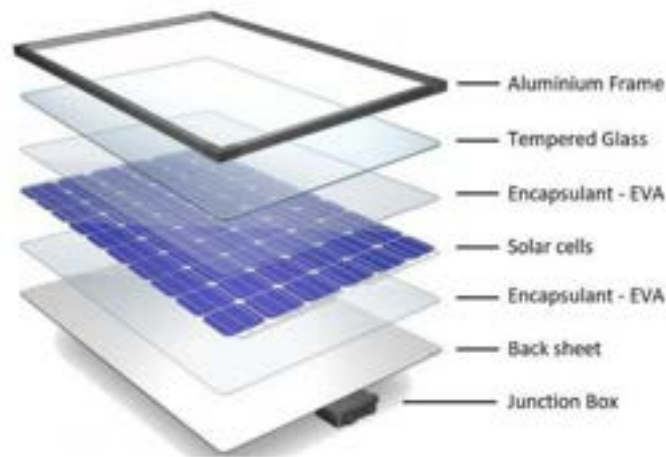
Moving forward, we intend to transition to using TOPCon technology in our solar cell production which builds upon the existing PERC technology. While PERC has become widely accepted in the solar panel industry, advancements in process technology such as HJT and TOPCon technology are anticipated to provide significant competition. (Source: F&S Report) TOPCon enhances PERC solar cells by incorporating a tunnelling oxide layer, which aids in decreasing recombination losses and elevating overall cell efficiency. Traditional PERC technology has an efficiency of between 23.2% and 23.7% (i.e. indicating the maximum solar energy conversion to electricity). TOPCon technology, on the other hand, offers a bifaciality rate of between 80% to 85%, superior to PERC’s 70% to 75%, allowing TOPCon modules to gather more energy from their rear side. (Source: F&S Report) This quality is particularly beneficial for large-scale, ground-mounted utility projects. (Source: F&S Report) TOPCon cells have the capability of achieving efficiencies of between 24.5% to 25.2%. (Source: F&S Report)

### Solar Module

A solar module is constructed through a series-parallel configuration of individual solar cells. This interconnected array is then safeguarded from the elements with layers of glass, encapsulant and backsheet material. Additionally, a junction box is integrated to facilitate the extraction of electrical power from the module. (Source: F&S Report) Our solar modules are currently manufactured using monocrystalline PERC solar cells, as well as TOPCon solar cells, which we currently procure from third parties.

Our products are differentiated on the basis of module technology, cell size and quantity, and are sold across different power output ranges. We also produce both monofacial and bifacial modules.

#### Monofacial modules



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 during installation, and it is sufficient that the solar cells

are facing the sun. We manufacture monofacial modules with monocrystalline PERC technology in different sizes and wattage.

We produce p-type monofacial modules which use half-cut monocrystalline PERC M10 solar cells in the following formats and power outputs:

- 144 cell module with a power output of 515 – 555 Wattage peak (“**Wp**”);
- 132 cell module with a power output of 475 – 515 Wp;
- 120 cell module with a power output of 425 – 460 Wp; and
- 108 cell module with a power output of 385 – 415 Wp.

We provide a 25-year power output warranty on these modules. Furthermore, these modules provide a power output that is higher than that of equivalent polycrystalline-based modules, representing a significant improvement in efficiency and productivity for solar power generation.



Monofacial module 144 half cut monocrystalline PERC (515-555 Wp)

### *Bifacial modules*

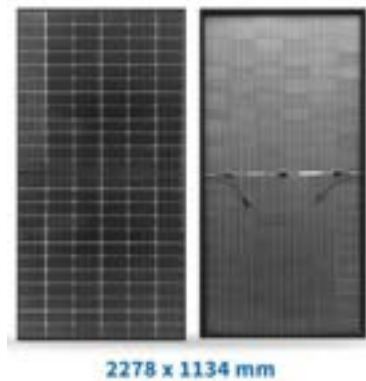
Bifacial solar modules feature a dual-sided design that allows the modules to capture sunlight from both the front and back surfaces. Unlike monofacial modules that only harvest light on one side, bifacial modules take advantage of the albedo effect where light is reflected from the ground or other surrounding surfaces onto the rear side of the module. This results in additional energy capture, which can significantly enhance the overall energy yield of the system. To maximize their potential, bifacial modules are often paired with special mounting systems and are best situated where ground reflectivity is high, such as on white gravel or snow. These modules are most beneficial at higher latitudes where the sun’s path can be more effectively exploited through the dual capture surfaces and in large scale power plants which use sun tracker for mounting of modules. The dual-glass design not only allows the modules to absorb light from multiple angles but also provides superior protection against environmental stressors, ensuring a long operational life and consistent power generation. (*Source: F&S Report*)

We offer two types of bifacial solar modules:

1. P-type bifacial modules with monocrystalline PERC M10 solar cells in the following formats and power outputs:
  - 144 cell module with a power output of 525 – 555 Wp;
  - 132 cell module with a power output of 485 – 510 Wp;
  - 120 cell module with a power output of 435 – 460 Wp; and

- 108 cell module with a power output of 385 – 415 Wp.
2. N-type bifacial modules with TOPCon M10 solar cells in a 144 cell module format with a power output of 560 590 Wp.

These come with a 30-year power output warranty and a 12-year product warranty.



Glass-transparent backsheet bifacial module with 144 half cut monocrystalline PERC (525-555 Wp)

Our dual glass solar modules come with a 2.0 mm anti-reflective coating semi tempered high strength glass on the front side and 2.0 mm semi tempered high strength glass on the backside. These modules come with a 30-year power output warranty and a 12-year product warranty.



Dual glass bifacial modules of 144 half cut monocrystalline PERC (525-555 Wp)

***Other Solar Products***

There are a number of solar products that we have manufactured in the past and have the ability to manufacture on an ad hoc basis. For example, we currently produce customized bespoke solar tiles for a company in the U.S. and have previously produced unique products like panels for a European pay-for-parking services provider.

**EPC Solutions**

Leveraging our expertise in manufacturing high quality solar cells and solar modules and experience in the solar industry, we also provide EPC solutions as a contractor through our Company and our Subsidiary, PSPPL. We have 12 years of experience in providing EPC solutions which include end-to-end solar services for ground-mounted, rooftop, floating, canal bank, canal top and hybrid power generation systems with a track record of 266.26 MW ground mounted projects and 22.86 MW roof top projects.

We provide solar water pumps under our EPC solutions. These solar water pumps feature solar modules manufactured by us and pumps sourced from external vendors. Solar water pumps are a clean, efficient and sustainable solution that harnesses solar energy to pump water. (Source: F&S Report) These pumps are particularly useful in remote locations



where access to electricity is limited or non-existent. They also require minimal maintenance due to fewer moving parts and the absence of internal combustion engines. (Source: F&S Report) We manufacture solar water pumps which come in various sizes and capacities to meet diverse water requirements, from small-scale to large-scale agricultural irrigation.

The table below provides details of income derived from our EPC contracts as a percentage of our revenue from operations for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
Construction and project-related activity	2,724.32	38.84	1,812.80	24.40	1,103.74	7.73	1,034.13	5.13

Some of our commercial and industrial ground mount solutions have been provided for various domestic customers, including public sector enterprises. Similarly, we have also installed a canal bank connected solar power plant in order to convert unutilized areas into generators of renewable energy. We have provided rooftop solar solutions to commercial, industrial and institutional customers and projects across India such as the establishment of a rooftop solar system, a canal top project, and other large-scale solar power projects. Some of our projects include a 100 MW project for a Navratna public sector undertaking in September 2019, a 20 MW canal bank and canal top project in Uttarakhand for a state government power generation company commissioned in March 2017 and 18 MW and 15 MW projects in Karnataka commissioned in February 2018.



Canal top solar power plant on 35-meter-wide Yamuna Power Channel in Uttarakhand installed by our Company using suspension rope technology

### O&M Solutions

We also have a presence in the O&M segment through the provision of O&M solutions for our EPC solution customers. We currently provide O&M services for 178.38 MW of solar ground mount and rooftop solar solutions as well as for the solar water pumps we have installed.

### Independent Power Production

Our Company has a 2 MW solar power plant which was commissioned in 2012 under the Jawarharlal Nehru National Solar Mission in Jharkhand, India.

## Manufacturing Facilities

As set out in the table below and as of the date of this Draft Red Herring Prospectus, we currently operate five manufacturing facilities in three locations in Telangana, India.

Manufacturing Facility	Entity	Products Manufactured	Annual Installed Capacity	Location
Unit I	PEL	Solar module line	260 MW module	Sy. No. 53, 56P, 57, 60P, Annaram Village, Gummadidala – Mandal, Sangareddy District – 502313, Telangana, India
Unit II	PEPPL	Solar module and cell line	1,400 MW module and 750 MW cell  * IREDA has sanctioned a loan for implementation of 1,000 MW cell manufacturing facility and expected to be commissioned within Fiscal 2025	Plot No 8/B/1 and 8/B/2, Sy No 62 P 63, And 88 P, E City, Raviryala Village, Maheshwaram Mandal, Ranga Reddy, Telangana, 501359
Unit III	PEIPL	Solar cell line	1,250 MW cell	
Unit IV	PEIPL	Solar module line	1,600 MW module	Plot No. S-95, S-96, S-100, S-101, S-102, S-103, S-104, Maheshwaram Mandal, Srinagar Village, Raviryal Industrial Area, FAB City, Rangareddy, Telangana, 501359
Unit V	PEGEPL	Solar module line	100 MW module  *IREDA has sanctioned a loan for implementation of 1,034 MW module manufacturing facility and expected to be commissioned within Fiscal 2025	

As of the date of this Draft Red Herring Prospectus, our aggregate annual installed capacity for solar cells and solar modules was 2 GW and 3.36 GW, respectively. Further, our manufacturing facilities are supported by infrastructure for the storage of raw materials and components, manufacture of our products (solar cells and solar modules), storage of finished goods, together with quality control mechanisms. As of the date of this Draft Red Herring Prospectus, our solar module manufacturing lines can produce solar modules assembled with monocrystalline PERC and TOPCon solar cells (both monofacial and bifacial) while our solar cell manufacturing lines can produce monocrystalline PERC cells. The power requirements for our manufacturing facilities are met through the local state power grid, power back-ups and our solar roofing at our manufacturing facilities, while water is procured from the municipality, industrial estate authorities and water tankers.

All our manufacturing facilities (save for Unit I) are fully automated, utilizing industrial-grade automated tools, equipment and technologies from Hungary, China, Germany, France, South Korea and Switzerland. Our solar cell manufacturing lines use advanced equipment like texturing tools, diffusion tools, annealing tools, and plasma enhanced chemical vapor deposition tools which use chemicals and gases in their applications.

Our existing monocrystalline PERC solar cell lines may also be upgraded to transition to TOPCon cell production. Furthermore, our operations for the manufacture and supply of crystalline silicon solar cells, solar photovoltaic modules and systems are certified under the ISO 14001:2015 standard for environment management and the ISO 45001:2018 standard for occupational health and safety management systems implementation. Our quality management systems are certified under ISO 9001:2015.

Our Unit II manufacturing facility is India's first LEED gold rated solar manufacturing facility as certified by the USGBC v4 Building Design and Construction: New Construction and Major Renovations in August 2022.

## Capacity and Capacity Utilization

The following table sets forth certain information relating to our Company's historical capacity utilization for solar cells and solar modules, calculated on the basis of effective installed capacity for the relevant fiscal period and actual production in such fiscals / periods as calculated below:

Unit	As of / For the Financial Year ended March 31, 2021	As of / For the Financial Year ended March 31, 2022	As of / For the Financial Year ended March 31, 2023	As of / For the nine months ended December 31, 2023
<b>Unit I</b>				
<i>Solar Module</i>				
Annual installed capacity <sup>(1)</sup> (MW).....	470	470	470	260 <sup>(5)</sup>
Effective installed capacity <sup>(2)</sup> (MW).....	400	400	400	173
Actual production <sup>(3)</sup> (MW).....	185.91	140.86	93.42	39.13
Capacity utilization <sup>(4)</sup> (%).....	46.48	35.22	23.36	22.68
<b>Unit II</b>				
<i>Solar Cell</i>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	500	750	750
Effective installed capacity <sup>(2)</sup> (MW).....	commissioned	309	560	420
Actual production <sup>(3)</sup> (MW).....		110.30	227.70	390.23
Capacity utilization <sup>(4)</sup> (%).....		35.77	40.66	92.91
<i>Solar Module</i>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	750	900	1,400
Effective installed capacity <sup>(2)</sup> (MW).....	commissioned	500	740	855
Actual production <sup>(3)</sup> (MW).....		93.07	394.6	602
Capacity utilization <sup>(4)</sup> (%).....		18.61	53.33	70.41
<b>Unit III</b>				
<i>Solar Cell</i>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	Not	Not	1,250
Effective installed capacity <sup>(2)</sup> (MW).....	commissioned	commissioned	commissioned	157
Actual production <sup>(3)</sup> (MW).....				99.37
Capacity utilization <sup>(4)</sup> (%).....				63.43
<b>Unit IV</b>				
<i>Solar Module</i>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	Not	Not	1,600
Effective installed capacity <sup>(2)</sup> (MW).....	commissioned	commissioned	commissioned	0
Actual production <sup>(3)</sup> (MW).....				0
Capacity utilization <sup>(4)</sup> (%).....				0
<b>Unit V</b>				
<i>Solar Module</i>				
Annual installed capacity <sup>(1)</sup> (MW)	Not	Not	Not	Not
	commissioned	commissioned	commissioned	commissioned
<b>Total Capacity and Utilization</b>				
<i>Solar Cell</i>				
Annual installed capacity <sup>(1)</sup> (GW).....	0	0.50	0.75	2.00
Effective installed capacity <sup>(2)</sup> (GW).....	0	0.31	0.56	0.58
Actual production <sup>(3)</sup> (GW).....	0	0.11	0.23	0.49
Capacity utilization <sup>(4)</sup> (%).....	—	35.77	40.66	84.90
<i>Solar Module</i>				
Annual installed capacity <sup>(1)(6)</sup> (GW).....	0.47	1.22	1.37	3.26
Effective installed capacity <sup>(2)</sup> (GW).....	0.40	0.90	1.14	1.03
Actual production <sup>(3)</sup> (GW).....	0.19	0.23	0.49	0.64
Capacity utilization <sup>(4)</sup> (%).....	46.48	25.99	42.81	62.40

\*As certified by RBSA Advisors LLP, Chartered Engineers pursuant to their certificate dated April 19, 2024.

Notes:

- (1) *The annual installed capacity of a manufacturing plant is the maximum amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which has the maximum power output and can be produced in the specific production line.*
- (2) *The effective installed capacity of a manufacturing plant is the actual amount of production that a company can achieve in a year, assuming that all machines are running at full speed, 330 days a year. It is determined after taking into account the product which is currently being manufactured in the specific production line. Please note that the installed capacity for Fiscal 2023 is adjusted on account of addition of capacity during the year. The following assumptions and observations can be considered while deriving the Effective Installed Capacity:*
  - *Unit I – PEL: Annual installed capacity is based on the maximum power output i.e. 385W solar PV module. Effective installed capacity is based on the current product manufactured by the company i.e. 335W solar PV module.*
  - *Unit II – PEPPL: Annual installed capacity is based on the maximum power output i.e. 670W solar PV module. Effective installed capacity is based on the current product manufactured by the company i.e. 550W solar PV module. Please note that the installed capacity for Fiscal 2023 is adjusted on account of addition of capacity during the year. The capacity utilization is calculated based on the proportion of the installed capacity that was being used.*
  - *Unit III – PEIPL: Annual installed capacity is based on the maximum power output i.e. maximum cell size i.e. 210mm x 210mm solar PV cell. Effective installed capacity is based on the current product manufactured by the company i.e. cell size 182mm x 182mm solar PV cell. The capacity utilization is calculated based on the proportion of the installed capacity that was being used.*
  - *Unit IV – PEIPL: Annual installed capacity is based on the maximum power output i.e. 670W solar PV module.*
  - *Unit V – PEGEPL: Annual installed capacity is based on the maximum power output i.e. 330W solar PV module.*
- (3) *Actual production refers to the tangible outcome of a facility's operations within a specified time frame, reflecting the quantity of goods or services generated.*
- (4) *Capacity utilization in a manufacturing plant is a metric that measures how much of a factory's production capacity is being used. It is a ratio that compares the potential output to the actual output. Capacity utilization has been calculated based on actual production during the relevant fiscal year/ period divided by the aggregate effective installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the nine months ended December 31, 2023, the capacity utilization has been calculated by dividing the actual production for the period pro-rata annualized effective installed capacity.*
- (5) *Reduced the installed capacity of the solar module line in Unit I by 210 MW in 2023.*
- (6) *Our Company has currently a 100 MW capacity line which was commissioned on March 12, 2024, taking the total solar module production capacity to 3.36 GW.*

## **Raw Materials and Components**

Per the F&S Report, set out below are brief descriptions of the key raw materials and components we use in the manufacturing of our solar cells and solar modules.

### ***Solar Cells***

A solar cell or photovoltaic cell is an electrical device that converts the energy of light directly into electricity by the photovoltaic effect, which is a physical and chemical phenomenon. It is a form of photoelectric cell, defined as a device whose electrical characteristics, such as current, voltage, or resistance, vary when exposed to light. Individual solar cell devices are often the electrical building blocks of photovoltaic modules.

The following key raw materials and components are used in the manufacturing of solar cells:

#### **Silicon wafers**

Silicon wafers are the key component of solar cells. They are cut from silicon ingots, which are obtained from high-purity silicon. The quality and purity of the silicon are crucial to the performance of the solar cells.

#### **Silver paste**

Silver paste is used to form the conductive contacts on the front side of the solar cells. It is applied using a screen-printing process and is essential for the collection and transfer of the electrical current generated by the silicon wafer.

#### **Aluminum paste**

Aluminum paste is applied to the backside of the solar cell. When fired in a furnace, it forms a back surface field that reflects electrons back into the silicon to be collected as electrical current, enhancing the cell's efficiency.

#### **Other gases and chemicals**

The production of solar cells involves various gases and chemicals, used in different stages of the process. For instance, dopants such as phosphorus oxychloride are used for n-type doping, while boron may be used for p-

type doping. Chemicals are also used for cleaning and etching the wafers, such as hydrofluoric acid to remove the silicon dioxide layer, and other solvents for cleaning purposes.

### ***Solar Module***

A solar module is an assembly of solar or photovoltaic cells mounted in a framework for installation. Solar panels use sunlight as a source of energy to generate direct current electricity. Our solar modules are currently assembled using monocrystalline and TOPCon cells (currently imported from third-party suppliers). The primary raw materials and components used in the manufacture of our solar modules are solar cells.

The following key raw materials and components are used in the manufacturing of solar modules:

#### **Backsheet**

A backsheet provides for mechanical strength, electrical isolation, moisture resistance and internal reflection. It forms a direct current insulation layer between the solar cell and the installers and provides protection against shock. It is also impervious to ultraviolet 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 a 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 is required to be limited to ensure that there are no misalignments of strings and/or cell short circuiting. In addition, it is also important that they adhere adequately to the glass on the front side and backsheet at the back side of the solar module and are stable at elevated temperatures and high ultraviolet exposure for prolonged periods.

#### **Glass and other auxiliary products**

The glass in the solar 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 a maximum level while lowering the reflection off its surface. In its natural form, the glass reflects 4% to 10% 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 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 solar modules so as to ensure stability throughout its lifetime. In addition to solar cells, other raw materials or components required for the manufacture of solar modules include the backsheet, the encapsulant and glass as well as aluminum frames, ribbon and junction box.

The table below provides details of our cost of materials consumed as a percentage of our total expenses for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
	Amount	Percentage of total expenses	Amount	Percentage of total expenses	Amount	Percentage of total expenses	Amount	Percentage of total expenses
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Cost of materials consumed	4,768.23	70.01	3,987.20	50.86	11,105.19	75.43	15,660.27	84.24

We typically plan our production and inventory levels based on our forecasts of customer demand, which may be unpredictable and can fluctuate over time. See “*Risk Factors – 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*” on page 50.

We do not have long-term purchase commitments or guaranteed purchase quantities with our suppliers. See “*Risk Factors – We do not have long-term agreements with our suppliers for materials and components and an inability on the part of such suppliers to supply, in a timely manner, the desired quality and quantity of materials and components, may adversely affect our operations*” on page 38. There are no contractual commitments other than those set out in the purchase orders. 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.

Bearing in mind the importance of traceability for certain of our customers, especially customers based in the United States, and our focus on producing and providing “clean silicon” products, we have instituted several internal policies and practices in order to give effect to such requirements. In particular, we are conscious of the requirements of the U.S. Uyghur Forced Labor Protection Act which imposes restrictions on the import of raw materials and components originating from the Xinjiang Uyghur Autonomous Region in China. In order to ensure our products comply with this and other forms of restrictions, our procurement team conducts supplier due diligence in respect of our suppliers. We engage reputable third-party auditors to conduct supply chain audits of identified suppliers to verify raw material sourcing.

## Manufacturing Process

### Solar Cell Manufacturing

Per the F&S Report, set out below is a brief description of solar cell manufacturing process.

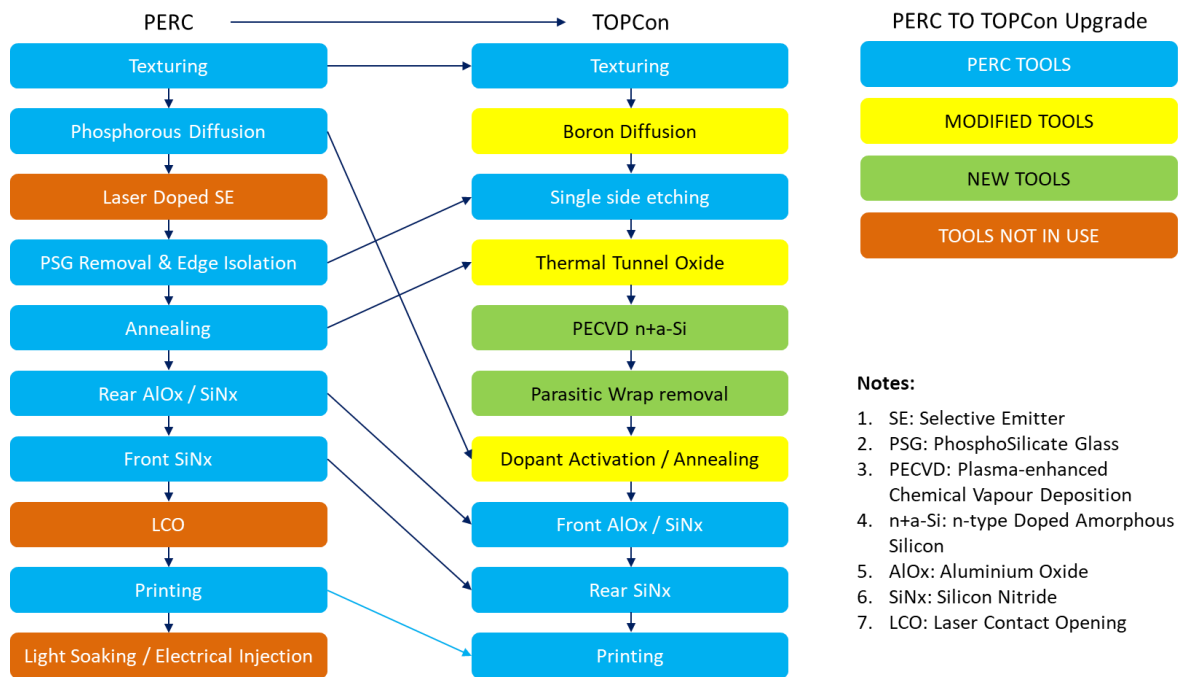
STEPS	DESCRIPTION
<b>Raw wafer (Gallium / Boron doped)</b>	<ul style="list-style-type: none"> <li>The wafers received at factory are passed through wafer inspection tool to check for any microcracks before taking up for further cell process.</li> </ul>
<b>SDR (saw damage removal) and texture to reduce reflection</b>	<ul style="list-style-type: none"> <li>The production of solar cells generally begins with wafers undergoing a chemical cleaning and texturing process on wet benches, which strips away organic and metal contaminants and creates a topography resembling suede or pyramids on the surface of the wafer. This textured surface is designed to minimize optical losses in solar cells by reducing reflection and elongating the optical path, which improves light absorption.</li> <li>This includes precise chemical management for uniform etching, optimized surface texturing for better light capture, minimized surface reflectance to maximize absorption, and rigorous control of wafer purity to prevent efficiency-robbing contamination.</li> </ul>
<b>Diffusion to make the P-N Junction</b>	<ul style="list-style-type: none"> <li>Subsequently, the wafers are subjected to a high-temperature diffusion process that forms a p-n junction—the critical part of a solar cell responsible for separating carriers of light-generated electric charge.</li> <li>This involves maintaining uniformity for optimal surface composition and junction depth, controlling the resistance of the silicon wafer (R-sheet) within a critical range for efficiency, and minimizing marks or spots from the processing equipment to avoid electrical defects.</li> </ul>
<b>Selective emitter to provide low contact resistance</b>	<ul style="list-style-type: none"> <li>After the diffusion process, a selective emitter laser is used to perform heavy doping (high concentration) in the contact part of metal gate line. With heavy doping metal electrode and emitter (P-N junction) forms a good ohmic contact and improves efficiency of the solar cell.</li> <li>Selective emitter technology requires meticulous laser control. This involves achieving target sheet resistance and uniformity for optimal cell efficiency. Precise laser power, speed, and frequency ensure uniform emitter formation, while controlling laser offset minimizes electrical defects that can lead to cell rejections.</li> </ul>
<b>Phosphosilicate Glass (“PSG”) and polishing to separate PN junction and removal of phosphorous glass</b>	<ul style="list-style-type: none"> <li>PSG polishing presents another intricate stage in solar cell production. Here, achieving uniform etching is paramount to ensure consistent removal of the PSG layer across the wafer’s surface. Additionally, meticulous control is required to prevent water or chemical flow marks and optimize drying parameters.</li> </ul>

STEPS	DESCRIPTION
<b>Oxidation Annealing</b>	<ul style="list-style-type: none"> <li>Heating the wafer in an oxygen-rich environment at around 400°C to improve front surface passivation and enhance contact adhesion. The oxidation forms a thin silicon oxide (SiO<sub>2</sub>) layer on the silicon surface, passivating defects and reducing recombination losses, ultimately leading to higher conversion efficiency. The layer also improves the adhesion of the subsequent anti-reflective coating (SINx).</li> </ul>
<b>Rear PECVD (ALOX) rear side passivation and back surface field</b>	<ul style="list-style-type: none"> <li>Rear Plasma-Enhanced Chemical Vapor Deposition (“<b>PECVD</b>”) is a critical but complex step in solar cell manufacturing. It requires precise control over several parameters: maintaining uniform thickness and refractive index (RI) of the deposited anti-reflective coating, minimizing marks or spots from processing equipment, and rigorously controlling impurities to prevent visual defects like redness or rainbow effects. All these factors significantly impact cell quality and rejection rates.</li> </ul>
<b>Front PECVD (SINx) for anti-reflective coating and front side passivation</b>	<ul style="list-style-type: none"> <li>An anti-reflective coating, usually composed of silicon nitride, is then applied to the surface facing the sun to further boost light absorption. This involves maintaining consistent thickness and refractive index (RI) across the wafer surface. Rigorous impurity control prevents visual defects like redness and rainbow effects, which can significantly impact cell quality and lead to rejections.</li> </ul>
<b>Laser contact opening (“LCO”) of rear passivated layer for contact</b>	<ul style="list-style-type: none"> <li>During LCO, precise control of laser power, speed, and frequency is essential for achieving uniform openings in the cell’s passivation layer. This minimizes electrical defects and ensures optimal cell performance.</li> </ul>
<b>Screen printing and drying</b>	<ul style="list-style-type: none"> <li>After this, metallization occurs, using a screen printing method to apply metal paste to both sides of the wafer.</li> <li>This involves precise paste deposition to ensure uniformity and proper finger formation, minimizing mismatches, controlling dimensions, and avoiding interruptions. These factors directly influence cell efficiency, yield, and rejection rates.</li> </ul>
<b>Fast firing for contact formation and light-induced degradation regeneration</b>	<ul style="list-style-type: none"> <li>Co-firing process at high temperatures in a belt furnace to create ohmic-contact electrodes. These ohmic contacts (low resistance connections) between the metal electrodes and the silicon on both sides enable current flow.</li> </ul>
<b>Testing and sorting (IV, Electroluminescence (“EL”), Color, etc.)</b>	<ul style="list-style-type: none"> <li>The finished solar cells are then tested, sorted, and ready for assembly into solar modules.</li> <li><b>IV Test (Current-Voltage):</b> Measures the cell’s voltage and current output under simulated sunlight, assessing its efficiency and identifying potential defects.</li> <li><b>EL Imaging:</b> Reveals defects in the P-N junction and identifies areas of non-uniformity.</li> <li><b>Color Sorting:</b> Categorizes cells based on their visual appearance, aiding in further sorting and grouping.</li> </ul>



(Source: F&S Report)

We are poised to transition from monocrystalline PERC cell production to advanced TOPCon cell production as our current infrastructure for producing monocrystalline PERC cells is adaptable, requiring only the addition of a few more steps to produce TOPCon cells. The table below sets out the production steps of both monocrystalline PERC cells and TOPCon cells side-by-side and the upgradations in manufacturing tools and equipment required to transition from the former to the latter.



Source: Stakeholder Interactions / Frost & Sullivan Analysis

### Solar Module Manufacturing

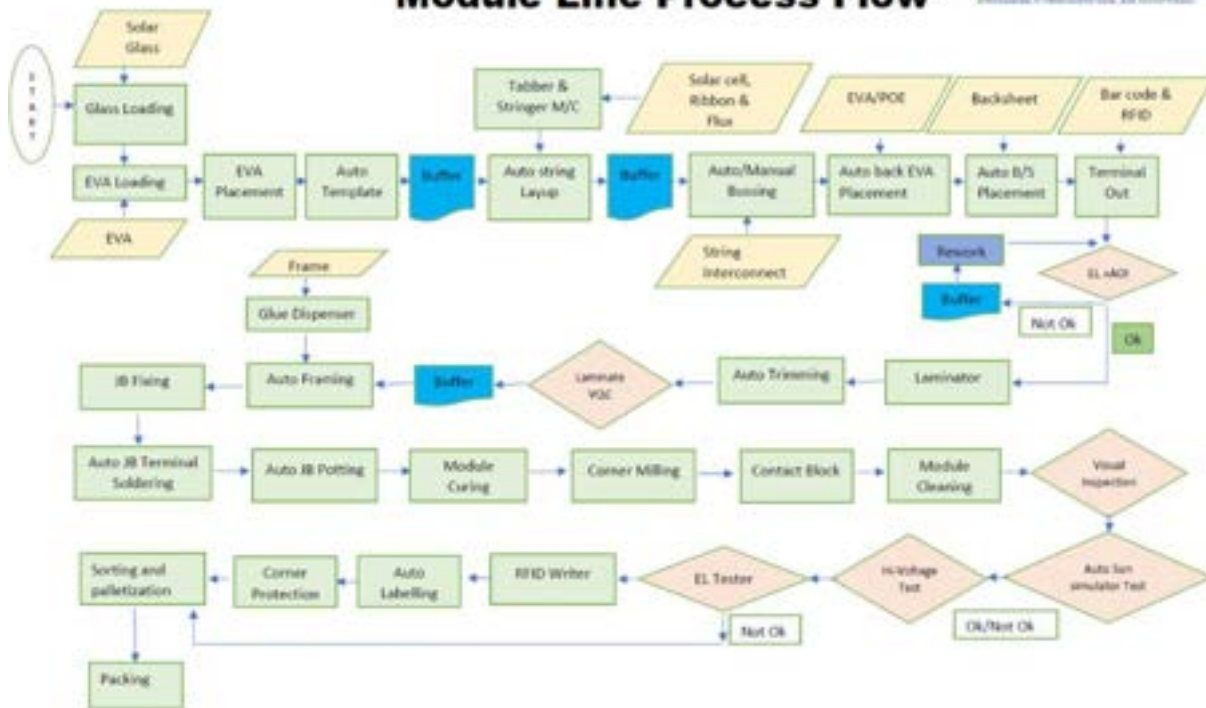
The manufacturing processes for our suite of solar module products bear conceptual resemblance across different models, although each product line may employ certain distinct equipment suited to its specifications. The fabrication of solar modules involves soldering interconnected solar cells into predetermined electrical configurations. These cells are then arranged and encapsulated through vacuum lamination under optimal process conditions, ensuring the integrity of the modules against environmental stressors.

This lamination process ensures that the modules are well-protected against adverse weather conditions, including intense ultraviolet rays, humidity, wind forces, and the abrasive impact of sand. Moreover, it safeguards the modules during transportation, preventing damage that could compromise their operational efficacy.

After lamination, the solar modules are securely encased in an aluminum frame to provide an additional layer of durability. Each module is subject to rigorous quality assurance testing prior to market release.



## Module Line Process Flow



### Quality Control, Testing and Certifications

Our suite of solar products undergoes a set of in-house testing protocols, including but not limited to outdoor exposure, damp heat, static mechanical load, humidity freeze, thermal cycling, peel, module breakage, potential induced degradation and light induced degradation tests. These tests are designed to identify and rectify any defects prior to product dispatch, thereby upholding our commitment to product quality. Our internal testing capabilities not only streamline operational efficiency but also contribute to maintaining competitive pricing due to the reduction of external testing expenses.

Our solar modules are also subjected to reliability testing by PVEL to ensure that they meet international quality standards and performance benchmarks. 12 of our modules were recognized as “top performers” in the 2023 Module Reliability Scorecard released by PVEL, an annual assessment of solar modules from manufacturers globally.

Quality certifications are imperative to our customers and our solar modules are certified by multiple international certification bodies such as TÜV, BIS and UL for quality and performance such as IEC 61215, EN IEC 61730 and IS 14286, which makes our products acceptable to international customers. We have also obtained domestic product certification IS 14286 (Crystalline Silicon Terrestrial Photovoltaic (PV) modules – Si wafer based).

The overarching principle of our quality policy is to meet and surpass customer expectations through the provision of reliable products and services that are in stringent compliance with all regulatory standards. This is accomplished through our quality management systems. To ensure that our customers receive quality products, rigorous qualification procedures are embedded throughout our entire value chain. Our major customers regularly conduct pre-dispatch inspection of our finished products and test random samples from the dispatch load. As of December 31, 2023, we had a total of 88 employees in our quality team.

We possess various national and international certifications. For instance, our manufacturing facilities are certified with:

- ISO 9001:2015 for manufacture, marketing, and supply of solar photovoltaic modules.
- ISO 45001:2018 for manufacture, marketing, supply and installation of solar photovoltaic modules.

- ISO 14001:2015 for manufacture, marketing, supply and installation of solar photovoltaic modules.

In addition, our modules are insured by external parties, which requires us to maintain high standards for insurance approval.

As of December 31, 2023, our Company and its Subsidiaries have obtained the following certifications:

Certifications	Date Obtained	Expiry
International Electrotechnical Commission (“IEC”) 61215:2016-1-2 (Standard)	January 12, 2022 (with additions made to the base certificate to include additional models on December 28, 2023)	August 26, 2026
Underwriters Laboratories UL 61730,61215 (Standard)	May 6, 2023	—
Approved List of Models and Manufacturers Enlisted	April 5, 2022	April 4, 2024
IEC 61701 :2011 Ed 2, sv. 61	June 9, 2022	November 17, 2026
IEC 60068-2-68:1994	January 20, 2022	January 19, 2027
IS 14286:2010, IS/IEC 61730 (Part I & II):2004-BIS	January 24, 2022	July 28, 2028
IEC TS 62804-1:2015	January 20, 2022	November 17, 2026
Light and elevated temperature induced degradation (LeTID)	September 1, 2022	—
Integrated Management Systems (IMS) Certification	October 12, 2021	October 11, 2024

## Repair and Maintenance

We maintain a disciplined maintenance and repair schedule for our manufacturing facilities to ensure efficient production and to reduce the risk of unplanned operational interruptions. These preventative maintenance routines occur at regular intervals, scheduled either weekly, bi-weekly, monthly, semi-annually or annually based on both the specifications of the original equipment manufacturers and the technical knowledge of our maintenance staff. Additionally, we plan routine shutdowns for comprehensive maintenance. Our teams are prompt in addressing both regular maintenance needs and repairs, focusing on the upkeep of our equipment.

## Pricing

The prices of our products are determined based on several factors including market demand, the cost of raw materials, our ability to produce the items, the expenses associated with shipping, the amount of inventory we have on hand, the prices set by our competitors, and the nature of our customers. We set an initial price for each category of product. Our sales team then periodically examines and, if needed, revises these prices. They also make decisions regarding any discounts or promotional offers. In most cases, we include the cost of shipping within the overall sales price of the product.

Given that our business activities include importing raw materials from international vendors and exporting our finished products to global markets, transactions in these ventures are conducted in foreign currencies, which introduces an element of foreign exchange risk. To manage this risk and protect against adverse currency fluctuations, we have implemented a formal hedging policy. For further details, please see “*Risk Factors – Exchange rate fluctuations may adversely affect our results of operations*” on page 60. This strategic approach helps to stabilize our cost structures and maintain consistent pricing by mitigating the potential financial impact caused by changes in exchange rates.

The table below provides details of our purchases from domestic and overseas suppliers as a percentage of our total purchases for the year / period indicated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
	Amount	Percentage of total purchases	Amount	Percentage of total purchases	Amount	Percentage of total purchases	Amount	Percentage of total purchases

	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Total purchases	<b>5,251.76</b>	<b>100.00</b>	<b>7,391.39</b>	<b>100.00</b>	15,857.71	100.00	16,717.19	100.00
- Domestic	3,363.53	64.05	2,897.96	39.21	7,170.50	45.22	6,018.64	36.00
- Import	1,888.23	35.95	4,493.43	60.79	8,687.21	54.78	10,698.56	64.00

## Logistics

We use air, sea and land transportation to move raw materials and our finished goods. Product delivery is outsourced to third-party logistics providers. Our reliance on freight forwarders ensures the shipment of products from our manufacturing facilities to our customers. See “**Risk Factors – We are dependent on third-party transportation providers for the transport of raw materials for our manufacturing process and delivery of our finished products**” on page 53.

## Distribution, Sales and Customers

We have an in-house sales and marketing team of 22 employees as of December 31, 2023, that specializes in different areas of sales and marketing.

Our dedicated sales team handles key accounts with utilities and enterprises for solar cell and solar module sales as these 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. Finished products are dispatched from our manufacturing facilities to individual customers. Our customers belong to diverse sectors and industries and primarily relate to private projects, public sector undertakings and large rooftop installations. Some of our key customers in this business vertical include customers in India and as well global customers across jurisdictions. For more information on our key customers, see “**Our Business – Strengths – We have a diversified customer base with strong customer relationships both within India and overseas with a strong order book**” on page 211.

## Marketing

We participate in local, national, and international exhibitions focused on renewable and solar energy. Additionally, our online presence is marked by social media activity. Our advertising efforts are tailored to each market by adapting to the local languages and cultural norms, aiming to reach the most relevant audience. To ensure the effectiveness of our advertising campaigns, we collaborate with media companies to secure optimal advertising placements.

## Awards

We have received the following key awards, accreditations and recognitions in the past three Fiscals and the nine months ended December 31, 2023:

Calendar Year	Key Awards / Accreditations
2024	Environmental Responsibility Initiative of the Year awarded by the Electronics Sector Skills Council of India (ESSCI) at the ESSCI National Skills Awards for Eminence
2023	Best ESG Performance in Responsible Sourcing awarded by Transformance Forums in the 3 <sup>rd</sup> Annual ESG Summit and Awards 2023
	Best ESG Performance in Product Stewardship (Water) awarded by Transformance in the 3 <sup>rd</sup> Annual ESG Summit and Awards 2023
	Certificate of honor for Winner in the category of Leading Renewable Energy Manufacturers awarded by Informa Markets in the Renewable Energy India Awards
	Certificate of honor for Winner in the category Excellence in Sustainability awarded by Informa Markets in the Renewable Energy India Awards
2022	PVEL PV Module Reliability Scorecard Top Performer 2023
	Best Sustainability Practices – Silver Category awarded by the Government of Telangana’s Industrial and Commerce Department in the Industry Awards 2022

## Information Technology

Information technology is crucial for our business, boosting productivity, enhancing customer service, and

strengthening risk management. Our business operations and strategic directions are supported by a strong information technology infrastructure, which includes applications such as SAP HANA, and HRONE for Human Resource Management System (HRMS). We enhance our automation systems based on user feedback and internal audits to improve the management of various business processes, including procurement, production, sales, and financial transactions with vendors, suppliers, and customers.

## Competition

Some of our key competitors across our business verticals include Waaree Energies, Mundra Solar, Jupiter Solar, Vikram Solar, Goldi Solar, RenewSys India and Websol Green Energy. (*Source: F&S Report*)

While competition in the solar manufacturing industry is likely to further intensify in view of the favorable regulatory impetus, we believe we are well-positioned to compete with these companies given our strategy of backward integration into wafers and ingots, while at the same time offering a complete range of solar cells and solar modules across India and increasingly in international markets, as well as our brand recognition. With over 29 years of operating history in the solar energy space and the quality of our products, our product development capability and our range of solar cells and solar modules, we aim to compete effectively with our industry peers. For further information on the competition that we face in the markets in which we operate, see “**Risk Factors – We face intense competition in our markets, and we may lack sufficient financial or other resources to maintain or improve our competitive position**” and “**Industry Overview**” on pages 58 and 152, respectively.

## Environment, Social and Governance

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**” on page 236.

### *Environment*

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. With an ISO 14001 certification, our Company ensures that its impact on the environment is constantly being measured and improved with the ultimate goal of lowering our carbon footprint. By deploying energy efficient manufacturing processes, such as industrial-grade automated tools in our production, we optimize energy use on the shop floor level. Moreover, we also utilize green energy ourselves via solar roofing at our manufacturing facilities that is capable of generating 6.61 MW of renewable energy for captive consumption and we also conserve water through rainfall pits and water management systems. We have invested in a zero liquid discharge system, which utilizes mechanical vapor recompression evaporation technology which uses significantly less steam compared to traditional processes and helps us recycle 100% of the water used in our manufacturing processes – 91% of such water is recovered for reuse while 9% is lost through evaporation. We can recycle the sewage and effluent generated in the plant. Further, the hazardous waste that we generate through our operations such as process sludge, chemical contaminated absorbent pad and gloves, oil-soaked cotton waste and oil filters, is either recycled or reused as an input by cement industries, while the non-hazardous waste such as carton, glass, waste wood scrap, coin box scrap and plastic is sent for recycling.

### *Social*

We have been recognized as a ‘Great Workplace’ by Great Place to Work, India for Fiscals 2022, 2023 and 2024. We also uphold the ISO 45001 standard for Occupational Health and Safety. With the health and safety of our employees being a top priority, we have developed a comprehensive contractor safety manual and have established incident management systems. Training on high-risk topics is regularly conducted to bolster operational safety and sustainability.

Diversity and inclusion remain critical facets of our social policy. Notably, we have increased female representation across our Company. We will continue to launch initiatives aimed at promoting their welfare.

### *Governance*

We have implemented an Integrated Management System (IMS) policy to approach the challenges faced by the contemporary energy sector with practical solutions. This policy is aimed at improving customer experiences and fostering a work environment that is both safe and conducive to health through continuous refinement and

adherence to best practices. We focus on enhancing our operations by upgrading technology and developing our employees' skills.

The IMS is a cohesive framework that consolidates all functional standards and procedures, ensuring that every facet of our Group is managed through an intelligent, integrated system. To ensure this, we have engaged an entity with expertise in legal risk management solutions particularly in the areas of compliance management, audits, contract lifecycle management, litigation and corporate governance.

### Credit Ratings and Debt Raising

As of February 29, 2024, we have received a long-term credit rating of BBB+ and a short-term credit rating of A2 (reaffirmed) from CRISIL with respect to our borrowing facilities availed from lenders. Credit ratings reflect the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins, medium-term revenue visibility and operating cycle. See **“Risk Factors – Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business, financial conditions, cash flows and results of operations”** on page 55.

Our credit ratings and bank relationships are key determinants in our ability to obtain financing and have assisted us in obtaining financing for capital expenditure in respect of our capacity expansion in the past three Fiscals and the nine months ended December 31, 2023. The table below indicates that approximately 75% of our capital expenditure in the past three Fiscals and current Fiscal for the expansion in capacity for our manufacturing facilities were funded by debt.

Entity	Lender	Product Line	Total Project Cost (₹ million)	Funded by Lender (₹ million)	Percentage (%)	Sanction Year
PEPPL	IREDA	6.61 MW rooftop solar / 5.16 MW captive solar rooftop	305.90	229.40	74.99%	2022
PEIPL	IREDA	1,033 MW solar cell line <sup>(1)</sup>	4,995.50	3,746.60	75%	2022
PEIPL	IREDA	1,016 MW solar module line <sup>(2)</sup>	2,004.50	1,503.30	75%	2022
PEGEPL	IREDA	1,034 MW solar module line * currently under construction	1,750.00	1,312.50	75%	2024
PEPPL	IREDA	1,000 MW TOPCon solar cell line * currently under construction	6,694.05	5,020.00	74.99%	2024

**Notes:**

- (1) As determined by IREDA at the time of issuing their sanction letter in respect of this project. This relates to the solar cell line in Unit III which subsequently increased its annual installed capacity to 1,250 MW upon commissioning.
- (2) As determined by IREDA at the time of issuing their sanction letter in respect of this project. This relates to the solar cell line in Unit IV which subsequently increased its annual installed capacity to 1,600 MW upon commissioning.

### 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 export import insurance open and marine open import declaration policy; (ii) industrial all risk insurance covering fire and material damages to machinery; (iii) fire policy covering, among others, stocks and stocks in process at our electric generation stations; (iv) burglary policy; (v) group medicare policy; (vi) module warranty insurance; and (vii) vehicle insurance.

The table below provides details of our insurance cover for the year / period indicated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the nine months ended December 31, 2023
Insurance cover for property, plant and equipment, and inventory (₹ million)	9,529.34	9,460.90	20,127.06	25,090.89
Gross block of property, plant and equipment including solar power plant, CWIP and inventory (₹ million)	5,207.08	8,665.39	16,812.86	21,814.95
Insurance cover as a percentage of gross block of property, plant and equipment including solar power plant, CWIP and inventory (%)	183.01	109.18	119.71	115.02

In addition, our solar modules are sold, depending on model, with a 10- to 12-year warranty for product manufacturing defects and with a 25- to 30-year warranty relating to output performance. 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 solar module without interest or any charge. The table below provides details of our warranty provisions created (reversed) during the period / year end and provisions for warranty as of the period / year end as a percentage of our revenue from operations for the year / period indicated:

Particulars	As at March 31 / Fiscal 2021		As at March 31 / Fiscal 2022		As at March 31 / Fiscal 2023		As at December 31 / For the nine months ended December 31, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Warranty provision (reversal) for the period/ year	54.60	0.78	(37.31)	(0.50)	(24.98)	(0.17)	85.00	0.42
Provisions as of period/ year	339.12	4.83	294.89	3.97	269.92	1.89	354.92	1.76

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 for certain coverage items or because premiums for some coverage are prohibitive. See “*Risk Factors – We may be subject to significant risks and hazards when constructing, operating and maintaining our manufacturing facilities, for which our insurance coverage might not be adequate.*” on page 62.

## Human Resources

As of December 31, 2023, we employed 1,396 full-time employees broken down as follows:

Department	No of Employees
Operations	913
Administration	91
Human resource development	13
Supply chain	97
Quality	88
Projects	71
Finance and accounts	51
Research and development	28
Business development and sales	22
IT	7
Management	9
Secretarial and legal	5
ESG	1
Total	1,396

We also hire contract labor through third-party agencies for tasks like production, handling of materials and products, EPC and various other activities at our manufacturing facilities. As of December 31, 2023, we had 2,059 contracted workers, with numbers fluctuating according to the specific needs and scale of outsourced work.

Our human resource policies focus on attracting skillful individuals, fostering their advancement, and promptly addressing any complaints. We run training sessions to enhance a range of skills, promote teamwork, and encourage personal development among our employees. In our manufacturing processes, we train our employees on machine use, workflow, quality control, and safety. Our workforce is not unionized, and we have not had significant interruptions in work due to labor disputes in the past three Fiscals and the nine months ended December 31, 2023. For further information, see *“Risk Factors – We may be subject to unionization, work stoppages or increased labor costs, which could adversely affect our business, cash flows and results of operations. We also have a large number of contract laborers resulting in increased costs to the Company”* on page 67.

## **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.

As of December 31, 2023, we have four trademarks registered in India relating to three logos and one wordmark. These trademarks are integral to our branding as we leverage these for marketing, branding, promotion, advertising, distribution, and sales of our manufactured products in India. Furthermore, our Material Subsidiaries have been granted the exclusive right to use these trademarks through licensing agreements. For further information see *“Risk Factors – We may not be able to adequately protect our intellectual property”* on page 57.

## **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. See *“Our Management – Board Committees – Corporate Social Responsibility Committee”* on page 265. Our CSR activities are primarily focused on, amongst others, education, poverty alleviation, strengthening livelihood and rural development.

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. We believe that corporate social responsibility is an integral part of our business strategy and purpose. For Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023, our corporate social responsibility expenses were ₹15.86 million, ₹6.86 million, ₹8.20 million and ₹3.44 million, respectively.

## **Property**

Details of the material properties of our Group are as follows.

Our Company’s registered office is situated at Plot No. 8/B/1 and 8/B/2, E-City, Maheshwaram Mandal, Raviryala Village, K.V. Rangareddy 501 359, Telangana, India and our Company’s corporate office is situated at 8<sup>th</sup> Floor, Orbit Tower, Hyderabad Knowledge City, Raidurg (Panmakhta Village), Serilingampally Mandal, Hyderabad 500 019, Telangana 50008, India. The premises for our corporate office operates on a leasehold basis and is sub-leased from Symbyont Asset Management Private Limited under an agreement valid through May 14, 2028 (with an option for renewal), while the premises for our Company’s registered office is owned by PEPPL and used by us pursuant to NOC from PEPPL. We also have branch offices, warehouses and guest houses across India, which we hold on a leasehold basis or pursuant to a letter of allotment from a government enterprise.

As of the date of this Draft Red Herring Prospectus, we also operate through five manufacturing facilities through three properties, all of which are situated on land that we own, in Telangana, India, and land has been allotted by TSIIC Limited to us in connection with the establishment of a sixth manufacturing facility (“**Unit VI**”) on 75 acres of land at UDL-5 Part at Industrial Park, Seetharampur, Ranga Reddy District, Telangana, India to house the additional 4 GW TOPCon cell and 4 GW module lines which we intend to commission with the proceeds from

the Fresh Issue i.e. the Project. See “*Objects of the Offer*” on page 119. These facilities are, and in the case of the Project will be, established on land that we own outright, on a freehold basis. Some of the facilities are owned by one of the Subsidiaries and have been leased to other Subsidiaries, as indicated below.

<b>Manufacturing Facility</b>	<b>Location</b>	<b>Registered owner</b>	<b>Address</b>	<b>Area (Acres)</b>	<b>Usage</b>
Unit I	Annaram, Telangana	PEL	Sy. No.: 53, 54 (P), 56 (P), 57 & 60 (P), Annaram, Bollaram Village, Jinnaram Mandal, Sangareddy Dist. – 500043	5.05	Solar module manufacturing
Unit II and III <sup>(1)</sup>	E-City, Hyderabad	PEPPL	Plot No 8/B/1 and 8/B/2, Survey No. 62 P 63(P) and 88 (P), E-City, Raviryala Village, Maheshwaram Mandal, Ranga Reddy 501359, Telangana, India	25.00	Solar cell and solar module manufacturing
Unit IV and V <sup>(2)</sup>	E-City, Hyderabad	PEGEPL	Plot No. S-95, S-96, S-100, S-101, S-102, S-103, S-104, Maheshwaram Mandal, Srinagar Village, Raviryal Industrial Area, FAB City, Rangareddy, Telangana, 501359	14.86	Solar module manufacturing
Unit VI	Seetharampur Industrial Area, Hyderabad	PEGEPL	UDL-5 Part at Industrial Park, Seetharampur, Ranga Reddy District, Telangana, India	75.00	Solar cell and solar module manufacturing

**Notes:**

- (1) Unit III is leased from PEPPL to PEIPL.  
(2) Unit IV is leased from PEGEPL to PEIPL.

For further information, see “*Risk Factors – Our corporate office, branch offices and warehouses are located on leased premises. There can be no assurance that our lease or rental agreements will be renewed upon termination or that we will be able to lease other premises on the same or similar commercial terms*” on page 66.



## 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 its Material Subsidiaries and the business undertaken by our Company and its Material Subsidiaries. The information detailed in this chapter has been obtained from sources available in the public domain and is based on the current provisions of Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions. 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.

Under the provisions of various Central Government and State Government statutes and legislations, our Company and our Material Subsidiaries are required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “**Government and Other Approvals**” on page 404.

### 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 and generally for taking measures conducive to development of electricity industry. 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 (“**SERCs**”) 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, shall specify the terms and conditions for the determination of tariff. The Electricity Act further requires the Central Government to prepare the national electricity policy and tariff policy, from time to time, in consultation with the State Governments and Central Electricity Authority.

The Electricity Act promotes co-generation and generation of electricity from renewable sources of energy by requiring the relevant SERCs to (i) provide suitable measures for grid connectivity and sale of electricity from such sources; and (ii) specify a percentage of the total consumption of electricity in the area of distribution licensees for purchase of electricity from such sources, known as renewable purchase obligations (“**RPOs**”). The Ministry of Power, Government of India (the “**MoP**”), has from time to time notified the long-term growth trajectory of RPOs for solar and non-solar power, uniformly for all states/union territories. The MoP, through an order dated July 22, 2022 (F. No. 09/13/2021-RCM) has notified the RPO trajectory for a period of 8 years i.e., Fiscal 2023 to Fiscal 2030. It includes trajectory for wind renewable purchase obligations, hydro power renewable purchase obligations and other renewable purchase obligations. The Electricity (Amendment) Bill, 2022 has been placed before the Parliament, which seeks to amend certain provisions of the Electricity Act in view of the importance of green energy for the environment in the context of global climate change concerns and India’s international commitments to increase the share of renewable energy, amongst other things.

#### ***Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2020 (“Tariff Regulations”)***

The Tariff Regulations prescribe the criteria that may be taken into consideration by the CERC while determining the tariff for the sale of electricity generated from renewable energy sources. The CERC shall determine project-specific tariff for solar PV power projects, based on financial principles such as, *inter alia*, debt equity ratio, loan tenure and interest on loan, interest on working capital and any incentive, grant or subsidy from the Central or State Government.

#### ***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 the Bureau of Indian Standards (“**BIS**”) as the national standards body for the standardization, conformity assessment and quality assurance of

goods. Functions of the BIS include, *inter alia*, (a) establishing, publishing, reviewing and promoting the Indian standard, in relation to any goods, article, process, system or service (b) adopting as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (c) establishing a standard mark in relation to each of its conformity assessment schemes, which shall be of such design and contain such particulars as may be specified by regulations to represent a particular standard (“**Standard Mark**”); and (d) appointing certification officers for inspecting whether any goods, article, process, system or service in relation to which the Standard Mark has been used conforms to the relevant standard. A person may apply to the bureau for grant of license or certificate of conformity, if their articles, goods, process, system or service confirms to the Indian standard.

The Central Government, in exercise of its powers under the BIS Act, has issued the Compulsory Registration Order in consultation with BIS vide an order issued by MNRE dated August 30, 2017. In terms of the Compulsory Registration Order, any manufacturer who 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; (e) crystalline silicon terrestrial PV modules and (f) storage batteries (collectively the “**Goods**”) shall apply to BIS and obtain registration for use of the Standard Mark in relation to such Goods. The Compulsory Registration Order prohibits the manufacture or storage for sale, import, or distribution of the Goods which do not conform to the Indian standard specified in the Schedule of the Order. In view of the availability of limited test facilities, the MNRE has published notifications from time to time, extending the timeline of implementation of the Compulsory Registration Order for SPV inverters subject to self-certification and test reports from accredited test labs.

#### ***Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirement for Compulsory Registration) Order, 2019 (“ALMM Order”)***

To ensure the quality of solar cells and solar modules, used in solar PV power plants, the MNRE issued the ALMM Order on January 2, 2019. The ALMM Order provides that only the models and manufacturers included in the ALMM, which is a list of eligible models and manufacturers complying with BIS standards, would be eligible for use in government / government assisted projects under government schemes and programmes installed in the country, including 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 consists of List I, specifying models and manufacturers of solar PV modules and List II specifying models and manufacturers of solar PV cells. After March 31, 2020, solar PV module manufacturers in List I have to mandatorily source PV solar cells only from manufacturers in List II for the Applicable Projects.

Manufacturers are required to make an application to the MNRE for inclusion in the ALMM. 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. Before inclusion in the ALMM, a MNRE team will conduct inspection of the manufacturing facility of manufacturers whose models are certified/registered under the Compulsory Registration Order. If enlisted, such enlistment shall be valid for a two-year period and can be renewed by submitting necessary documents and continued satisfactory performance of their products. Enlisted models and manufacturers will be subjected to random quality tests and any failure or non-compliance will lead to removal from the ALMM.

With effect from March 10, 2023, the ALMM Order has been kept in abeyance for one financial year, i.e., FY 2023-24. Thus, Applicable Projects commissioned by March 31, 2024 will be exempted from the requirement of procuring solar PV modules from the ALMM.

#### ***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 on December 11, 2018, directing all departments / attached offices / subordinate offices of the MNRE or autonomous bodies controlled by the Central Government or government companies (as defined under the Companies Act, 2013) 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 inverters required to be at least 40% locally manufactured. With respect to off grid / decentralized 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%.

### ***National Electricity Policy and the National Electricity Plan***

The Central Government 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 accelerated development of the power sector, including renewable energy, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders. The National Electricity Policy provides that the SERCs may determine an appropriate pricing differential in tariffs in order to promote renewable energy technologies, until such time that non-conventional technologies can compete with conventional sources of energy. It further encourages SERCs to increase the share of electricity from non-conventional sources and make RPOs applicable for the tariffs determined by them. The Central Government has further notified the National Electricity Plan, Volume I on January 15, 2019 in accordance with the provisions of the Electricity Act and the National Electricity Policy. The draft National Electricity Plan Volume II (Transmission) 2022-27 is under finalization.

### ***National Tariff Policy***

The Central Government notified the revised National Tariff Policy effective from January 28, 2016. The National Tariff Policy, *inter alia*, seeks to ensure availability of electricity to consumers at reasonable and competitive rates, ensure financial viability of the sector and attract investments and promote generation of electricity from renewable sources. The National Tariff Policy recommends that the appropriate commissions under the Electricity Act should provide a regulatory framework to facilitate generation and sale of electricity from renewable energy sources particularly from roof-top solar system by any entity including local authority, panchayat institution, user institution, cooperative society, non governmental organization, franchisee or by renewable energy service company.

### ***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, and providing incentives for renewable energy production. 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.

### ***Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 (“Electricity Rules 2022”)***

The Electricity Rules 2022 is applicable to the generation, purchase and consumption of green energy, i.e., electrical energy from renewable sources of energy. It provides in detail for RPOs for entities obligated under the Electricity Act, green energy open access, procedure for the grant of green energy open access, green certificate, charges to be levied on open access and cross-subsidy surcharge. It also provides for tariff for green energy which shall be determined by the appropriate commission. It shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges, if any, and service charges covering the prudent cost of distribution licensee for providing the green energy.

### ***Framework for Promotion of Decentralized Renewable Energy Livelihood Applications (“DRE Policy”)***

The Ministry of New and Renewable Energy issued the DRE Policy in February 2022 with the objective of facilitating the development of an enabling ecosystem for widespread access to decentralized renewable energy (“DRE”) applications for promoting sustainable livelihoods in the country, including in rural and remote areas. The DRE Policy aims to enable a market-oriented ecosystem to attract the private sector for the development and deployment of DRE based livelihood applications. It seeks to ensure a strong monitoring and evaluation framework for long-term performance sustainability of DRE based livelihood solutions and to assess their impact on different populations including marginalized groups and women. It also aims to promote skill development for strengthening the service infrastructure at the local level and encourage innovation and research and development to develop efficient and cost-effective DRE livelihood applications.

### ***Production Linked Incentive Scheme ‘National Programme on High Efficiency Solar PV Modules’ and guidelines thereunder (“PLI Scheme”)***

The MNRE issued the PLI Scheme on April 28, 2021. The Scheme aims to promote manufacturing of high efficiency solar PV modules in India and thus reduce import dependence in the area of renewable energy. The objectives of the Scheme are to (a) to build up solar PV manufacturing capacity of high efficiency modules; (b) to bring technology to India for manufacturing high efficiency modules; (c) to promote setting up of integrated plants for better quality control and competitiveness; (d) to develop an ecosystem for sourcing of local material in solar manufacturing; and (e) employment generation and technological self-sufficiency. The MNRE has designated the Indian Renewable Energy Development Agency (“IREDA”) as the implementing agency and allocated an amount of ₹45,000 million to be spent over a period of five years. The Scheme provides for the selection of beneficiaries through a transparent bidding process and shortlisting of applications after consideration of parameters such as the extent of integration, manufacturing capacity and minimum module performance. Further, in order to qualify for the bid, the applicant manufacturer is required to undertake to set up a manufacturing plant of minimum 1,000 MW capacity (1,000 MW each for all individual stages included in the manufacturer’s proposal). Subsequent to shortlisting based on the aforesaid parameters, the shortlisted bidders are to be assigned marks, for determining their inter-se position based on certain criteria.

The MRNE notified Tranche II of the PLI Scheme on September 30, 2022 with an additional allocation of ₹195,000 million for manufacture of high efficiency modules. The MRNE has designated the Solar Energy Corporation of India Limited (“SECI”) as the implementing agency for Tranche II of the Scheme. Bidders are to be selected on the basis of parameters such as extent of integration, manufacturing capacity proposed to be set up (in GW), year-wise percentage of local value addition and year-wise performance parameters of manufactured modules. In order to qualify for the bid, the applicant manufacturer is required to undertake to set up a manufacturing plant of minimum 1,000 MW capacity (1,000 MW each for all individual stages included in the manufacturer’s proposal). The manufacturing units sanctioned under the Scheme are eligible for availing funds on an annual basis on sale of high efficiency solar PV modules for five years from commissioning of the proposed manufacturing unit or five years from scheduled commissioning date, whichever is earlier. Consequently, in case of delayed commissioning, the PLI period would reduce from five years by the period of the delay in commissioning.

### ***Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan Scheme 2019 (“PM-KUSUM Scheme”)***

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, solar energy-based power plants of capacity 500 KW to 2 MW will be set up by individual farmers, group of farmers, cooperatives, panchayats, farmer producer organisations or water user associations on barren land. The power generated will be purchased by state electricity distribution companies (“DISCOMs”) at pre-fixed tariff determined by the SERCs; (ii) Component B - for installation of standalone solar agriculture pumps. Individual farmers will be supported to install standalone solar agriculture pumps of capacity upto 7.5 HP in off-grid area, where grid supply is not available; and (iii) Component C - for solarisation of 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 MNRE vide its order dated August 1, 2022, extended the PM-KUSUM Scheme till December 31, 2026 along with certain amendments to the implementation guidelines of the Scheme. On January 17, 2024 the MNRE has notified comprehensive guidelines for the implementation of the PM-KUSUM Scheme.

### ***Grid Connected Solar Rooftop Programme***

The MNRE launched the Grid Connected Solar Rooftop Programme on March 8, 2018 with an aim 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. Phase-II also focuses on increasing the incentives for DISCOMs based on achievement of certain installed capacity. By notice dated October 6, 2022, Phase-II of the programme has been extended till March 31, 2026.

### ***Telangana Industrial Policy, 2015 (“Industrial Policy”) and the Telangana State Industrial Project Approval & Self Certification System Act, 2014 (“TS-iPASS Act”)***

The Telangana Industrial Policy, 2015 aims to provide a framework which will stabilize and make existing industries more competitive, and also attract and realize new international and national investments in the industrial sector. It focuses on core manufacturing sectors and emphasises the creation of employment for urban and rural youth and value addition to existing skills. One of the prime objectives of the Industrial Policy is the production of high quality goods at the most competitive price, which will establish “Made in Telangana - Made in India” as a brand with high global recognition. Renewable energy and solar parks are one of the thrust areas under the Industrial Policy. The Industrial Policy encourages provision of appropriate incentives to encourage investments in non-conventional energy projects, especially solar power.

Further to the aims of the Industrial Policy, the State Government of Telangana has passed the TS-iPASS Act for issuance of various clearances at a single point based on the self-certification through an end-to-end interactive, online system. The TS-iPASS Act provides for a ‘right to clearance’ whereunder applicants have the right to seek knowledge about reasons for delay in grant of approval and to cause imposition of penalties to the designated officers of the competent authority.

### ***Modified Special Incentive Package Scheme***

The Ministry of Electronics and Information Technology launched the Modified Special Incentive Package Scheme (the “M-SIPS”) in July 2012, to promote large scale manufacturing in India. It provides special incentives for investments pertaining to capital expenditure in both, special economic zones (“SEZs”) and non-SEZs. Our Company has benefited from financial incentives in the form of capital subsidies awarded under M-SIPS.

### **Environmental laws**

#### ***Environment Protection Act, 1986 (the “EP Act”) and the Environment Protection Rules, 1986 (the “EP Rules”) read with the Environmental Impact Assessment Notification, 2006 (“EIA Notification”)***

The EP Act has been enacted with the objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent, control and abate environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes, prohibitions and restrictions on the location of industries as well as prohibitions and restrictions on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the spatial extent of potential impacts and potential impact on human health and natural and manmade resources.

#### ***Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)***

The Water Act provides for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water, and the establishment of the Central Pollution Control Board, as well as state pollution control boards (“State PCB”), to implement its provisions, including to lay down standards of treatment of sewage and trade effluents. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in

violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to establishing any industry, operation or process, or opening of any new outlets, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

#### ***Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)***

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the relevant state pollution control board declare, by notification in the Official Gazette, any area or areas within the state as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

#### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)***

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, “hazardous waste” *inter alia* means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter, or operator of a disposal facility is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and shall be liable to pay any financial penalty that may be levied by the respective state pollution control board for violation of the Hazardous Waste Rules.

#### ***Petroleum Act, 1934 (“Petroleum Act”) and Petroleum Rules, 2002 (“Petroleum Rules”)***

The Petroleum Act regulates the import, transport, production, refining, storage, blending of petroleum. Further, it empowers the Central Government to prescribe standards for pipelines and storage receptacles for petroleum, and to authorise officers to certify testing apparatus and to inspect, make entry, take samples, and certify grades of petroleum in a particular establishment. The Petroleum Rules require every person importing, transferring, or storing petroleum of certain grades to do so only in accordance with a licence granted under the Petroleum Rules.

### **Labour laws**

#### ***Factories Act, 1948***

The Factories Act, 1948, as amended (the “**Factories Act**”), defines a “factory” to cover any premises which employs or had employed 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are or were employed on any day of the preceding 12 months, and where a manufacturing process is carried on without the aid of power. Each State Government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

#### ***Contract Labour (Regulation and Abolition) Act, 1970***

The Contract Labour (Regulation and Abolition) Act, 1970 (“**CLRA**”) regulates the employment of contract labour in certain establishments. The CLRA provides that the appropriate Government may, after consultation with the Central or State Advisory Boards (constituted under the CLRA), prohibit employment of contract labour in any process, operation or other work in any establishment.

#### ***Shops and establishments legislations***

Under the provisions of local shops and establishments legislations applicable in the states in India where our

establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, in each state, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

In addition to the Factories Act, the CLRA and the local shops and establishments legislations, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- Employee's Compensation Act, 1923.
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- Employees' State Insurance Act, 1948.
- The Equal Remuneration Act, 1976.
- Maternity Benefit Act, 1961.
- Minimum Wages Act, 1948.
- Payment of Bonus Act, 1965.
- Payment of Gratuity Act, 1972.
- Payment of Wages Act, 1936.
- The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.
- The Labour Welfare Fund Act, 1965.
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

- (a) The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, *among other things*, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.
- (b) The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.
- (c) The Code on Wages, 2019 received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the Government of India brought into force certain sections of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.
- (d) The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force Section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

## **Intellectual property laws**

### ***The Trade Marks Act, 1999 (the "Trademarks Act")***

The Trademarks Act governs the statutory protection of trademarks and prohibits any use of deceptively similar trademarks, among others. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of registered trademarks. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark is removed from the register of trademarks and the registration is required to be restored. Further, simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks.

## **Foreign investment and trade regulations**

### ***Foreign investment regulations***

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the “**Consolidated FDI Policy**”). Under the current Consolidated FDI Policy, foreign investment in manufacturing sector is under automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

### ***Foreign Trade (Development and Regulation) Act, 1992 (the “FTA”)***

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number (“**IEC**”) granted by the Director General of Foreign Trade, Ministry of Commerce (“**DGFT**”). The IEC granted to any person may be suspended or cancelled *inter alia* in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA.

### ***Customs Act, 1962 (“Customs Act”), the Customs Tariff Act, 1975 and rules made thereunder, and the Manufacturing and Other Operations in Special Warehouse Regulations, 2020 (“MOOWR Regulations”)***

The provisions of the Customs Act, 1962 and rules made there under are applicable to imported goods i.e. goods brought into India from a place outside India (except goods cleared for home consumption) and export goods i.e. goods which are to be taken out of India to a place outside India. Imported goods and export goods are subject to duties of customs as specified under the Customs Tariff Act, 1975. The MNRE has announced imposition of basic customs duty of 25% on solar cells and 40% on solar modules, with effect from April 1, 2022, vide office memorandum dated March 9, 2021.

A manufacturer who is operating from a licensed warehouse, pursuant to Sections 58 and 65 of the Customs Act, and the MOOWR Regulations can avail of deferred duties and waivers on taxation on the import of raw material and capital goods, as stipulated under the MOOWR Regulations.

### ***Export Promotion Capital Goods Scheme (“The EPCG Scheme”)***

The EPCG Scheme provides that importers can benefit from zero customs duty on the import of capital goods provided that they fulfil an export obligation to export a prescribed amount, such amount being a multiple of the duty saved, within a specified period. In addition, authorized importers are required to fulfil the average export obligation achieved in the preceding three licensing years for the same and similar product.



## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was originally incorporated as a private limited company with the name “Premier Solar Systems Private Limited” under the provisions of the Companies Act, 1956, at Hyderabad, India, pursuant to a certificate of incorporation dated April 3, 1995, issued by the Registrar of Companies, Andhra Pradesh. Subsequently, pursuant to a Board resolution dated May 6, 2019 and a resolution passed at an extraordinary general meeting dated July 25, 2019, the name of our Company was changed to “Premier Energies Private Limited” and a fresh certificate of incorporation dated August 6, 2019 was issued by the RoC. Upon the conversion of our Company into a public limited company, pursuant to a Board resolution dated September 3, 2019 and a Shareholders’ resolution dated September 4, 2019, the name of our Company was changed to “Premier Energies Limited” and a fresh certificate of incorporation dated September 25, 2019 was issued by the RoC.

### Changes in the registered office of our Company

Except as disclosed below, there has been no change in the registered office of our Company since its incorporation.

Date of change	Details of change in the registered office	Reasons for change of registered office
June 21, 2005 <sup>(1)</sup>	The address of the registered office of our Company was changed from Plot No. 41, Sri Venkateswara Co-operative Industrial Estate, Bala Nagar 500 037, Hyderabad, Andhra Pradesh 500 037, India to Plot No.36, 1 <sup>st</sup> Floor, S. V Reddy Complex, Tadbund X Roads, Secunderabad 500 009, Andhra Pradesh, India	For operational convenience
February 18, 2008	The address of the registered office of our Company was changed from Plot No.36, 1 <sup>st</sup> Floor, S. V Reddy Complex, Tadbund X Roads, Secunderabad 500 009, Andhra Pradesh, India to 3 <sup>rd</sup> Floor, V.V. Towers, Trimelgerry Main Road, Karkhana, Secunderabad 500 015, Andhra Pradesh, India	For operational convenience
January 25, 2016	The address of the registered office of our Company was changed from V.V. Towers, 3 <sup>rd</sup> Floor, Trimelgerry Main Road, Karkhana, Secunderabad 500 015, Andhra Pradesh, India to Serial Number 54 part, First Floor, G. Pulla Reddy Sweets, Kakaguda, Vikrampuri Colony, Secunderabad, Rangareddy, Telangana 500 009, India	For operational convenience
April 26, 2023	The address of the registered office of our Company was changed from Serial Number 54 part, First Floor, G. Pulla Reddy Sweets, Kakaguda, Vikrampuri Colony, Secunderabad Rangareddy, Telangana, 500 015 India to Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, K.V. Rangareddy 501 359, Telangana, India.	For operational convenience

<sup>(1)</sup> Form 18 in relation to the shifting of registered office could not be traced as the relevant information was not available in the records maintained by our Company. Accordingly, we have relied on the other corporate records maintained by us and the search report dated April 18, 2024 prepared by PS Rao & Associates, Company Secretaries. For further details see “Risk Factors – We are unable to trace some of our historical corporate records including in relation to certain allotments, changes in our registered office and appointment of directors. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation.” on page 64.

### Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

- 1) “To carry on the Business of Manufacturers, Producers, Assemblers, Dealers, Importers, Exporters, Stockists, Distributors, or agents of all kinds of Non-Conventional Energy Systems including Solar Thermal, Solar Photo Voltaic, Wind Energy, Solar Water Heaters Systems to each and every application.
- 2) To carry on the consultancy of above products in Designs, Planning and Manufacturing and setting up of tum key Projects in the Non-Conventional Energy Systems.
- 3) To carry on in India or elsewhere the business to generate, receive, produce, improve, buy, sell, re-sell, acquire, use, transit, accumulate, employ, distribute, develop, handle, protect, supply and to act as agents,

brokers, representatives, consultants, collaborators, franchisers or otherwise to deal in solar power, of such place or places as may be permitted by appropriate authorities by establishment of Solar Power Plants.

- 4) To take up turnkey contracts within the country and outside involving Engineering, Consultancy, Procurement, Construction, Project Management and Completion in Solar Power Sector.
- 5) To carry on the business of Designing, Construction, Supply, Testing and Commissioning of Water Supply Schemes and Arsenic / Floride / Iron Removal treatment Plant having Technology endorsed / approved by Government of India on turnkey basis with Commissioning and Comprehensive Operation and Maintenance.
- 6) To carry on the business of Manufacturing, Producing, Assembling, Dealing, Buying, Selling, Importing, Exporting, Distributing, Transporting, Developing, Storing, Marketing or Supplying, Trading of all kinds of E-Vehicles and other related components, parts and accessories thereof.
- 7) To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods and services on retail as well as on wholesale basis in India or elsewhere.”

The main objects clause and matters necessary for furtherance of the main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being undertaken by us.

### Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of Shareholder's resolution	Particulars
March 26, 2014	Clause V of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital of our Company from ₹50,000,000 divided into 5,000,000 equity shares of ₹10 each to ₹60,000,000 divided into 6,000,000 equity shares of ₹10 each.
September 8, 2016	Clause V of the Memorandum of Association of our Company was amended to reflect the sub-division of the authorized share capital of our Company from ₹60,000,000 divided into 6,000,000 equity shares of ₹ 10 each to ₹60,000,000 divided into 60,000,000 Equity Shares of ₹1 each.
March 28, 2018	Clause V of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital of our Company from ₹60,000,000 divided into 60,000,000 Equity Shares of ₹1 each to ₹250,000,000 divided into 250,000,000 Equity Shares of ₹1 each.
December 17, 2019	Clause V of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital of our Company from ₹250,000,000 divided into 250,000,000 Equity Shares of ₹1 each to ₹260,000,000 divided into 260,000,000 Equity Shares of ₹1 each.
September 4, 2019	Clause I of the Memorandum of Association of our Company was amended to reflect the change in name from “Premier Energies Private Limited” to “Premier Energies Limited”
September 9, 2021	Clause V of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital of our Company from ₹260,000,000 divided into 260,000,000 Equity Shares of ₹1 each to ₹450,000,000 divided into 450,000,000 Equity Shares of ₹1 each.
April 10, 2024	Clause V of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital of our Company from ₹450,000,000 divided into 450,000,000 Equity Shares of ₹1 each to 550,000,000 divided into 550,000,000 Equity Shares of ₹1 each.

### Major events and milestones of our Company

The table below sets forth some of the major events and milestones in the history of our Company:

Year	Milestone
2011	Established a solar cell line with an annual capacity of 75 MW and a solar module line with an annual capacity of 100 MW in Unit I.
2017	Expanded the installed capacity of the solar module line in Unit I by 370 MW
2021	Established a fully integrated 500 MW capacity solar cell line and a 750 MW capacity solar module line in Unit II
2022	Expanded the installed capacity of the solar cell and module lines in Unit II by 250 MW and 150 MW, respectively
2023	<ul style="list-style-type: none"> <li>• Established a solar cell line in Unit III with an annual capacity of 1,250 MW</li> </ul>

Year	Milestone
	<ul style="list-style-type: none"> <li>Established a solar module line in Unit IV with an annual capacity of 1,600 MW</li> <li>Expanded the installed capacity of the solar module line in Unit II by 500 MW</li> </ul>
2024	Established a solar module line in Unit V with an annual capacity of 100 MW

### Awards, accreditations and recognition

The table below sets forth some of the key awards, accreditations and recognition received by our Company:

Calendar Year	Awards, accreditations and recognition
2007	Awarded Best Export Performance Award by All India Manufacturers' Organization
2013	Awarded Best Solar Project, Project of the Year, for solar electrification of 57 remote villages, by Renewable Energy World Magazine Won Green Business at SMEs Excellence Award, 2013 by ASSOCHAM India
2014	Awarded India SME Excellence Award for Export Sector from Small and Medium Business Development Chamber of India
2015	Awarded National Awards for Excellence in Renewable Energy for Rural Electrification by the World Federation of CSR Professionals
2016	Awarded Best Performance Bronze for the category 'Productivity' by Luminous
2018	Awarded India's Best Solar PV Module Manufacturer and Solar Power Developer for Outstanding contribution to the Nation in the development of the renewable energy sector at CBIP Awards
2022	Awarded Best Sustainability Practices – Silver at Industry Awards by Industries and Commerce Department, Government of Telangana
2023	Awarded Best ESG Performance in Responsible Sourcing by Transformance at the 3 <sup>rd</sup> Annual ESG Summit and Awards Awarded Best ESG Performance in Product Stewardship (Water) by Transformance at the 3 <sup>rd</sup> Annual ESG Summit and Awards Awarded Leading RE Manufacturers Award at the 7 <sup>th</sup> Renewable Energy India Awards Awarded Excellence in Sustainability Award at the 7 <sup>th</sup> Renewable Energy India Awards
2024	Awarded Environmental Responsibility Initiative of the Year award at the Electronics Sector Skills Council of India Awards for Eminence

### Significant financial and strategic partnerships

Our Company does not have any significant financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

### Time/cost overrun in setting up projects

Except for disruption on account of COVID-19 pandemic that temporarily affected our ability to source materials from certain vendors who were unable to transport materials to us, there has been no significant time or cost overrun in setting up our projects. For more details, see *“Risk Factors - We do not have long-term agreements with our suppliers for materials and components and an inability on the part of such suppliers to supply, in a timely manner, the desired quality and quantity of materials and components, may adversely affect our operations.”* on page 38.

### Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There has been no instance of rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders.

### Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation, location of projects

For details of key services offered by our Company, entry into new geographies or exit from existing markets or capacity/facility creation, location of projects, see *“Our Business”* on page 204.

### Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years.

### Guarantees provided to third parties by our Promoters offering their Equity Shares in the Offer for Sale

Except as stated below, as on the date of this Draft Red Herring Prospectus, no guarantee has been issued by our Promoters offering their Equity Shares in the Offer for Sale to third parties.

S. No.	Date of guarantee	Guarantee issued in favour of	Borrower	Guarantee amount (in ₹ million)	Type of facility
1.	October 8, 2016	IREDA	Vinsol (Hubli) Energy Private Limited	106.40	Term loan for project
2.	October 8, 2016	IREDA	Vensol (Nirma) Energy Private Limited	159.60	Term loan for project
3.	October 8, 2016	IREDA	Vensol (Bidar) Energy Private Limited	159.60	Term loan for project
4.	March 8, 2019	IREDA	PEPPL	624.00	Term loan for project
5.	December 11, 2019	IREDA	PEPPL	1,687.50	Term loan for project
6.	May 7, 2021	IREDA	PEPPL	1,060.00	Term loan for project
7.	October 27, 2021	Axis Bank	PEPPL	700.00	Fund based + non fund based
				30.00	Derivative/LER
				1,000.00	100% FD backed LC sanction
8.	February 19, 2022	ICICI Bank	PEPPL	550.00	Fund based + non fund based
				50.00	Derivative/LER
				2,000.00	100 % FD backed LC sanction
				510.00	100% BG backed LC sanction
				1,000.00	Third Party FD Backed LC Sanction (Bluepine/Solar Craft)
9.	March 5, 2022	Bank of India	PEPPL	500.00	Working capital facility
10.	August 17, 2022	IREDA	PEIPL	3,746.60	Term loan for project
11.	August 17, 2022	IREDA	Vinsol (Hubli) Energy Private Limited	10.64	Term loan for project
12.	August 17, 2022	IREDA	PEIPL	1,503.30	Term loan for project
13.	August 24, 2022	Yes Bank	PEPPL	470.00	Working capital facility
14.	September 14, 2022	IndusInd Bank	PEPPL	400.00	Working capital facility
15.	December 23, 2022	IREDA	PEPPL	229.40	Term loan for project
16.	April 29, 2023	State Bank of India	Company	170.00	Working capital facility
		Punjab National Bank		300.00	Working capital facility
		ICICI Bank		262.50	Fund based + non fund based
				34.30	Derivative/LER
				400.00	100% FD backed BG sanction
		HDFC Bank		190.00	Fund based + non fund based
17.	August 11, 2023	IREDA	PEPPL	420.00	Counter guarantee – non fund based
18.	August 29, 2023	IREDA	PEPPL	900.00	Term loan for project
19.	September 22, 2023	IREDA	PEPPL	314.90	Counter guarantee – non fund based

S. No.	Date of guarantee	Guarantee issued in favour of	Borrower	Guarantee amount (in ₹ million)	Type of facility
20.	October 13, 2023	Axis Bank	PEIPL	600.00	Working facility capital
21.	October 26, 2023	HDFC Bank	PEPPL	850.00	Working facility capital
22.	October 30, 2023	Yes Bank	PEPPL	330.00	Working facility capital
23.	November 3, 2023	Federal Bank	PEPPL	430.00	Working facility capital
24.	November 4, 2023	Karur Vysa Bank	PEPPL	600.00	Working facility capital
25.	November 29, 2023	Canara Bank	PEPPL	1,000.00	Working facility capital
26.	December 15, 2023	IREDA	PEGEPL	1,312.50	Term loan for project
27.	December 16, 2023	HDFC Bank	PEIPL	400.00	Working facility capital
28.	December 21, 2023	IndusInd Bank	PEIPL	450.00	Working facility capital
29.	December 28, 2023	Bandhan Bank	PEIPL	500.00	Working facility capital
30.	January 3, 2024	IREDA	PEPPL	3,130.00	Counter guarantee – non fund based
31.	February 22, 2024	HSBC	PEIPL	600.00	Working facility capital
32.	March 7, 2024	IREDA	PEPPL	5,020.00	Term loan for project

The guarantees set out above have been issued as security in connection with the facilities availed by our Company, and our Subsidiaries, PEPPL, PEIPL and PEGEPL. Pursuant to the terms of the guarantees, the obligations of our Promoter Selling Shareholder include repayment of the guaranteed sum in case of default by the respective borrowers. The financial implications in case of default by the borrower are that the lender would be entitled to invoke the guarantees to the extent of the outstanding loan amount, together with any interests, costs or charges due to the respective lenders. The guarantees are effective for a period until the underlying loan is repaid in full by the respective borrower. Any default or failure by our Company or the relevant borrower entity to repay the loans in a timely manner, or at all, could trigger repayment obligations on the part of our Promoter Selling Shareholder. No consideration has been paid or is payable to our Promoter Selling Shareholder for providing these guarantees. The borrowings of our Company and Subsidiaries are typically secured by immovable property, movable fixed assets and current assets. For further details, see “*Financial Indebtedness*” and “*Risk Factors - We are required to comply with certain restrictive covenants under our financing agreements. Any noncompliance may lead to, amongst others, accelerated repayment and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.*” on pages 398 and 59, respectively.

#### Shareholders’ agreement and other key agreements

Except as disclosed below, there are no inter-se agreements, arrangements, deeds of assignment, acquisition agreements, shareholders’ agreements, any agreements between our Company, our Promoters, and Shareholders, or agreements of like nature or agreements comprising clauses/covenants which are material to our Company. Further, there are no other clauses/covenants that are adverse or prejudicial to the interest of the minority/public shareholders of our Company.

*Shareholders’ agreement dated September 10, 2021, entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust (together, the “Investors”), Surender Pal Singh Saluja, Chiranjeet Singh Saluja (the “Promoters”), Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy and Sudha Moola (the “SHA”), as amended; the amendment agreement dated December 19, 2022 entered into between our Company, Investors, our Promoters, Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy, Sudha Moola and Rama Moola (the “First Amendment Agreement”); and the second amendment agreement dated April 18, 2024 entered into between our Company, Investors, our Promoters, Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu,*

***Vignesh Nallapa Reddy, Sudhir Moola, Surrender Pal Saluja Trust and Chiranjeev Saluja Trust (the “Second Amendment Agreement”, and together with the SHA and the First Amendment Agreement, the “Shareholders’ Agreement”)***

Pursuant to the share subscription agreement dated September 10, 2021 (“SSA”), the Investors have subscribed to or acquired equity shares and CCDs in our Company. See “**Capital Structure – Share capital history of our Company**” on page 95. The Company also entered into a shareholders’ agreement dated September 10, 2021, amongst the above-mentioned parties, as amended by way of an amendment agreement dated December 19, 2022 and April 18, 2024 (“SHA”).

The SHA read together with the First Amendment Agreement sets out the rights and obligations of the parties thereto in relation to their respective shareholding in the Company and other rights including governance and management of the Company and matters in connection therewith. In accordance with the terms of the SHA, (i) the Investors have a right to nominate up to two directors; (ii) the Promoters have a right to nominate up to three directors, on the board of our Company; (iii) the Investors shall also be entitled to appoint one individual as an observer to the board and the committees of our Company. The observer shall have the right to attend any and all meetings of the board, shareholders and committees of our Company and Subsidiaries, without voting rights and will not be counted towards the quorum for such meetings; (v) the quorum for a meeting of the board or committee of the board of our Company shall be the presence of such number of directors as required under the Articles of Association and applicable law, provided that one Investor Director or its alternate director and one Promoter Director or its alternate director shall be present throughout the meeting in order to constitute quorum, unless otherwise agreed in writing in advance by the Investors or the Promoters, as the case may be. If the quorum is not present, then the meeting shall be adjourned by seven days, to be held at the same place and time as the original meeting and at such adjourned meeting, the directors present shall form quorum. The Investors also have a right to nominate their nominee directors to the committees of the Board of our Company.

The SHA also provides for certain rights and obligations, including reserved matters, information and inspections rights, pre-emptive rights, anti-dilution right in case of further issuance of share capital by our Company (except under certain circumstances, including the Fresh Issue in the Offer), exit rights, drag along and tag along rights. Further, the Promoters and Investors are entitled to undertake transfers pursuant to the terms of the SHA.

Pursuant to the Second Amendment Agreement, the parties have agreed to amend certain clauses of the SHA and waive certain rights available to the shareholders under the SHA in order to facilitate the initial public offer process. Further, the Shareholders Agreement shall automatically terminate if (i) the Subscription Agreement terminates or is terminated prior to Closing in accordance with the terms thereunder; (ii) upon the Investors ceasing to be shareholders; (iii) upon the mutual written consent of the parties; or (iv) on the commencement of listing and trading on the stock exchanges pursuant to the Offer, without any further corporate or other action by the parties.

**Key terms of other subsisting material agreements**

Except as disclosed below and under “- **Shareholders’ agreement and other key agreements**” above, our Company has not entered into any subsisting material agreements with strategic partners, joint venture partners and/or financial partners other than in the ordinary course of business of our Company.

***Share subscription agreement dated May 11, 2022 and a shareholders’ agreement dated May 11, 2022 entered into amongst our Company, Azure Power India Private Limited and Azure Power Makemake Private Limited.***

Our Company has entered into a share subscription agreement dated May 11, 2022 (“**Azure SSA**”) and a shareholders’ agreement dated May 11, 2022 (“**Azure SHA**”) with Azure Power India Private Limited and Azure Power Makemake Private Limited (“**Azure Entities**”) for the purpose of developing a solar module and cell manufacturing line of 1 GW (“**Azure Project**”) pursuant to a tender dated June 25, 2019 sanctioned by the Solar Energy Corporation of India. Our Company holds 74% of the share capital and the Azure Entities hold the remaining 26% of the share capital in our Subsidiary PEIPL. Under the terms of the Azure SHA, no decisions can be taken on certain reserved matters, including any further capital raise or change in the composition of the board of directors, in relation to PEIPL without the prior consent of our Company and the Azure Entities. Our Company and the Azure Entities additionally have the right to, among other things, nominate directors to the board of PEIPL. The Azure SHA further stipulates that the Azure Entities shall lock-in their 26% shareholding in PEIPL until completion of the events as provided under the Azure SHA.

**Agreements with Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee**

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee of our Company, 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 dealings in the securities of our Company.

**Holding company**

As on the date of this Draft Red Herring Prospectus, our Company has no holding company.

## OUR SUBSIDIARIES AND ASSOCIATES

### Subsidiaries of our Company

As on the date of this Draft Red Herring Prospectus, our Company has seven direct Subsidiaries and one indirect Subsidiary.

#### I. Direct Subsidiaries

##### 1. Premier Energies Photovoltaic Private Limited (“PEPPL”)

###### *Corporate Information*

PEPPL was originally incorporated as Sakura Premier Solar Private Limited, a private limited company on August 17, 2016 under the Companies Act, 2013 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, Telangana at Hyderabad. Subsequently, pursuant to a board resolution dated November 25, 2019 and a resolution passed at an extraordinary general meeting dated December 19, 2019, the name of was changed to “Premier Energies Photovoltaic Private Limited” and a fresh certificate of incorporation dated January 24, 2020 was issued by the Assistant Registrar of Companies, Telangana at Hyderabad. The registered office of PEPPL is situated at Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, Rangareddy, K.V. Rangareddy 501 359, Telangana, India. Its CIN is U74999TG2016PTC111510.

###### *Nature of business*

PEPPL is engaged in the business of, *inter alia*, manufacturing all kinds of solar cells, solar photovoltaic panels and modules.

###### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of PEPPL is ₹1,500,000,000 divided into 150,000,000 equity shares of ₹10 each, and the issued, subscribed, and paid-up equity share capital of PEPPL is ₹1,490,058,610 divided into 149,005,861 equity shares of ₹10 each.

###### *Shareholding pattern*

The following table sets forth the details of the shareholding of PEPPL, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholders	Number of equity shares of face value ₹10 each	Percentage of total equity shareholding (%)
1.	Premier Energies Limited	149,005,860	100.00
2.	Surender Pal Singh Saluja*	1	Negligible
	<b>Total</b>	<b>149,005,861</b>	<b>100.00</b>

\*Nominee on behalf of our Company.

###### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of PEPPL that have not been accounted for by our Company.

##### 2. Premier Energies International Private Limited (“PEIPL”)

###### *Corporate Information*

PEIPL was originally incorporated as Azure Power Fifty Five Private Limited, a private limited company, on August 18, 2020, under the Companies Act, 2013 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana at New Delhi. Subsequently pursuant to a board resolution dated March 16, 2022 and a resolution passed at an extraordinary general meeting dated March 16, 2022, the name was changed to “Premier Energies International Private Limited” and a fresh certificate of incorporation dated March 24, 2022 was issued by the Registrar of Companies, Delhi. The registered office of PEIPL is situated at Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal



Raviryala Village Rangareddy, K.V. Rangareddy 501 359, Telangana, India. Its CIN is U40300TS2020PTC181385.

*Nature of business*

PEIPL is engaged in the business of, *inter alia*, generation and production of solar energy, renewable energy, electricity and all sources connected therewith and maintaining all the requisite infrastructure projects.

*Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of PEIPL is ₹72,000,000 divided into 7,200,000 equity shares of ₹10 each, and the issued, subscribed, and paid-up equity share capital of PEIPL is ₹21,612,300 divided into 2,161,230 equity shares of ₹10 each.

*Shareholding pattern*

The following table sets forth the details of the shareholding of PEIPL, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholders	Number of equity shares of face value ₹10 each	Percentage of total equity shareholding (%)
1.	Premier Energies Limited	1,599,309	74.00
2.	Azure Power India Private Limited	561,920	26.00
3.	Azure Power Makemake Private Limited*	1	Negligible
	<b>Total</b>	<b>2,161,230</b>	<b>100.00</b>

\*Nominee of Azure Power India Private Limited

*Amount of accumulated profits or losses*

There are no accumulated profits or losses of PEIPL that have not been accounted for by our Company.

3. Premier Energies Global Environment Private Limited (“PEGEPL”)

*Corporate Information*

PEGEPL was incorporated as a private limited company on April 5, 2021, under the Companies Act, 2013 as a company limited by shares pursuant to a certificate of incorporation issued by the Jurisdictional Registrar of Companies, for and on behalf of the Registrar of Companies, Central Registration Centre. The registered office of PEGEPL is situated at Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, Rangareddy, K.V. Rangareddy 501 359, Telangana, India. Its CIN is U74999TG2021PTC150268.

*Nature of business*

PEGEPL is engaged in the business of, *inter alia*, manufacturing all kinds of solar cells, solar photovoltaic panels and modules.

*Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of PEGEPL is ₹250,000,000 divided into 25,000,000 equity shares of ₹10 each, and the issued, subscribed, and paid-up equity share capital of PEGEPL is ₹9,679,740 divided into 967,974 equity shares of ₹10 each.

*Shareholding pattern*

The following table sets forth the details of the shareholding of PEGEPL, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholders	Number of equity shares of face value ₹10 each	Percentage of total equity shareholding (%)
1.	Premier Energies Limited	967,973	100.00
2.	Chiranjeev Singh Saluja*	1	Negligible
	<b>Total</b>	<b>967,974</b>	<b>100.00</b>

\*Nominee on behalf of our Company

#### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of PEGEPL that have not been accounted for by our Company.

#### 4. Premier Solar Powertech Private Limited (“PSPPL”)

##### *Corporate Information*

PSPPL was incorporated as a private limited company on October 6, 2010, under the Companies Act, 1956 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, Andhra Pradesh. The registered office of PSPPL is situated at Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, K.V. Rangareddy 501 359, Telangana, India. Its CIN is U40108TG2010PTC070745.

##### *Nature of business*

PSPPL is engaged in the business of, *inter alia*, carrying on in India or elsewhere the business of green energy/ eco energy/ infratech/engineering/power tech, i.e., engineering, procurement and construction and all other infrastructure/powertech works relating to green energy/ eco energy.

##### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of PSPPL is ₹40,000,000 divided into 4,000,000 equity shares of ₹10 each, and the issued, subscribed, and paid-up equity share capital of PSPPL is ₹1,800,000 divided into 180,000 equity shares of ₹10 each.

##### *Shareholding pattern*

The following table sets forth the details of the shareholding of PSPPL, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholders	Number of equity shares of face value ₹10 each	Percentage of total equity shareholding (%)
1.	Premier Energies Limited	179,999	100.00
2.	Surender Pal Singh Saluja*	1	Negligible
	<b>Total</b>	<b>180,000</b>	<b>100.00</b>

\* Nominee on behalf of our Company

#### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of PSPPL that have not been accounted for by our Company.

#### 5. Premier Photovoltaic Gajwel Private Limited (“PPGPL”)

##### *Corporate Information*

PPGPL was incorporated as a private limited company on July 29, 2013, under the Companies Act, 1956 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, Andhra Pradesh. The registered office of PPGPL is situated at Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, Rangareddy, K.V. Rangareddy 501 359, Telangana, India. Its CIN is U40108TG2013PTC089167.

##### *Nature of business*

PPGPL is authorized under its memorandum of association to carry on the business of, *inter alia*, generating power by conventional and non-conventional methods.

#### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of PPGPL is ₹7,000,000 divided into 700,000 equity shares of ₹10 each, and the issued, subscribed, and paid-up equity share capital of PPGPL is ₹6,100,000 divided into 610,000 equity shares of ₹10 each.

#### *Shareholding pattern*

The following table sets forth the details of the shareholding of PPGPL, as on the date of this Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of the shareholders</b>	<b>Number of equity shares of face value ₹10 each</b>	<b>Percentage of total equity shareholding (%)</b>
1.	Premier Energies Limited	609,999	100.00
2.	Chiranjeev Singh Saluja*	1	Negligible
	<b>Total</b>	<b>610,000</b>	<b>100.00</b>

\*Nominee on behalf of our Company.

#### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of PPGPL that have not been accounted for by our Company.

#### 6. Premier Photovoltaic Zaheerabad Private Limited (“PPZPL”)

##### *Corporate Information*

PPZPL was incorporated as a private limited company on July 29, 2013, under the Companies Act, 1956 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, Andhra Pradesh. The registered office of PPZPL is situated at Plot No. 8/B/1 and 8/B/2, E- City, Maheshwaram Mandal Raviryala Village, Rangareddy, K.V. Rangareddy 501 359, Telangana, India. Its CIN is U40108TG2013PTC089166.

##### *Nature of business*

PPZPL is authorized under its memorandum of association to carry on the business of, *inter alia*, generating power by conventional and non-conventional methods.

##### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of PPZPL is ₹400,000 divided into 40,000 equity shares of ₹10 each, and the issued, subscribed, and paid-up equity share capital of PPZPL is ₹384,620 divided into 38,462 equity shares of ₹10 each.

##### *Shareholding pattern*

The following table sets forth the details of the shareholding of PPZPL, as on the date of this Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of the shareholders</b>	<b>Number of equity shares of face value ₹10 each</b>	<b>Percentage of total equity shareholding (%)</b>
1.	Premier Energies Limited	38,461	100.00
2.	Chiranjeev Singh Saluja*	1	Negligible
	<b>Total</b>	<b>38,462</b>	<b>100.00</b>

\*Nominee on behalf of our Company.

##### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of PPZPL that have not been accounted for by our Company.

7. Premier Energies Photovoltaic LLC (“**Premier USA**”)

*Corporate Information*

Premier USA was incorporated as a limited liability company on January 24, 2023, under the Delaware’s Limited Liability Company Act pursuant to a certificate of incorporation issued by the Secretary of State of Delaware, USA. The registered office of Premier USA is situated at 16192, Coastal Highway, Lewes, Delaware 19 958, County of Sussex, USA. Its CIN is 7254209.

*Nature of business*

Premier USA is authorized under its memorandum of association to carry on the business of, *inter alia*, manufacturing and marketing solar energy components.

*Capital Structure*

As on the date of this Draft Red Herring Prospectus, Premier USA does not have any authorized share capital.

*Shareholding pattern*

Nil

*Amount of accumulated profits or losses*

There are no accumulated profits or losses of Premier USA that have not been accounted for by our Company.

II. **Indirect Subsidiaries**

1. IBD Solar Powertech Private Limited (“**IBD Bangladesh**”)

*Corporate Information*

IBD Bangladesh was incorporated as a private limited company on September 4, 2018, under the Companies Act, 1994 pursuant to a certificate of incorporation issued by the Registrar of Joint Stock Companies and Firms Bangladesh. The registered office of IBD Bangladesh is situated at 156, Concord Colosseum, Kemal Ataturk Avenue, Banani, Dhaka, PO 12 13, Bangladesh. Its registration number is C-146864/2018.

*Nature of business*

IBD Bangladesh is engaged in the business of, *inter alia*, setting up, building, operating and to carry on the business of solar power plant.

*Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of IBD Bangladesh is TK 2,000,000 divided into 200,000 shares of Equity shares TK 10 each and its issued, subscribed and paid up Equity share capital is TK 1,184,000 divided into 118,400 Equity Shares of TK 10 each.

*Shareholding pattern*

The following table sets forth the details of the shareholding of IBD Bangladesh, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholders	Number of equity shares of face value Tk 10 each	Percentage of total equity shareholding (%)
1.	PSPPL	118,398	99.99
2.	Chiranjeev Singh Saluja	1	0.0008
3.	Sudhir Moola	1	0.0008
	<b>Total</b>	<b>118,400</b>	<b>100.00</b>

#### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of IBD Bangladesh that have not been accounted for by our Company.

#### **Joint Ventures**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures.

#### **Associates**

As on the date of this Draft Red Herring Prospectus, our Company has two Associates.

1. **Mavyatho Ventures Private Limited (“MVPL”)**

MVPL was incorporated as a private limited company on March 10, 2016, under the Companies Act, 2013 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, Telangana at Hyderabad. The registered office of MVPL is situated at 3<sup>rd</sup> Floor, Plot No. A-1, Surabhi Plaza Survey No.21, 37 and 38, Vikrampuri Colony, Karkhana Road, Hyderabad, Secunderabad 500 009, Telangana, India. Its CIN is U40300TG2016PTC103769.

2. **Brightstone Developers Private Limited (“BDPL”)**

BDPL was incorporated as a private limited company on January 13, 2016, under the Companies Act, 2013 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, Telangana at Hyderabad. The registered office of BDPL is situated at 3<sup>rd</sup> Floor, Plot No. A-1, Surabhi Plaza Survey No.21, 37 and 38, Vikrampuri Colony, Karkhana Road, Hyderabad, Secunderabad 500 009, Telangana, India. Its CIN is U74900TG2016PTC102738.

#### **Confirmations**

##### *Interest in our Company*

Except as provided in “***Our Business***” on page 208, none of our Subsidiaries have any business interest in our Company. For details of related business transactions between our Company and our Subsidiaries, see “***Summary of the Offer Document – Summary of Related Party Transactions***” on page 26.

##### *Common Pursuits*

As on the date of this Draft Red Herring Prospectus, our Subsidiaries, PEPPL, PEIPL and PEGEPL have common pursuits with our Company and are authorized to engage in business similar to that of our Company. Our Company will adopt the necessary procedure and practices as permitted by law to address any situations of conflict of interest, if and when they arise.

As on the date of this Draft Red Herring Prospectus, our Subsidiaries are not listed in India or abroad.

## OUR MANAGEMENT

In terms of the Companies Act and our Articles of Association, our Company is required to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises 10 Directors, of whom five are Independent Directors including one woman Director. Our Company is in compliance with the corporate governance norms 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 details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
<p><b>Surender Pal Singh Saluja</b></p> <p><i>Designation:</i> Chairman and Whole-Time Director</p> <p><i>Term:</i> Five years with effect from December 20, 2021, and liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since incorporation</p> <p><i>Address:</i> C-27, Vikrampuri Colony, Secunderabad, Hyderabad 500 009, Telangana, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of Birth:</i> December 26, 1946</p> <p><i>Age:</i> 77</p> <p><i>DIN:</i> 00664597</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Premier Energies Global Environment Private Limited</li> <li>• Premier Energies Photovoltaic Private Limited</li> <li>• Premier Kurnool Solar Private Limited</li> <li>• Premier Photovoltaic Gajwel Private Limited</li> <li>• Premier Photovoltaic Zaheerabad Private Limited</li> <li>• Premier Solar Powertech Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Chiranjeev Singh Saluja</b></p> <p><i>Designation:</i> Managing Director</p> <p><i>Term:</i> Five years with effect from December 20, 2021, and liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since 1997</p> <p><i>Address:</i> C-27, Vikrampuri Colony, Secunderabad, Hyderabad 500 009, Telangana, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of Birth:</i> September 17, 1973</p> <p><i>Age:</i> 50</p> <p><i>DIN:</i> 00664638</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• All India Solar Industries Association</li> <li>• AKR Construction (Solar) Private Limited</li> <li>• Brightstone Developers Private Limited</li> <li>• Mavyatho Ventures Private Limited</li> <li>• Premier Energies Global Environment Private Limited</li> <li>• Premier Energies International Private Limited</li> <li>• Premier Energies Photovoltaic Private Limited</li> <li>• Premier Kurnool Solar Private Limited</li> <li>• Premier Photovoltaic Gajwel Private Limited</li> <li>• Premier Photovoltaic Zaheerabad Private Limited</li> <li>• Premier Solar Powertech Private Limited</li> <li>• Renovar Energy Private Limited</li> <li>• Svarog Global Power Private Limited</li> <li>• Vensol (Bidar) Energy Private Limited</li> <li>• Vinsol (Hubli) Energy Private Limited</li> <li>• Vensol (Nirna) Energy Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Revathi Rohini Buragadda</b></p> <p><i>Designation:</i> Executive Director</p>	<p><i>Indian Companies</i></p>

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
<p><i>Term:</i> Five years with effect from March 21, 2020, and liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since June 17, 2019</p> <p><i>Address:</i> Villa No. 194, Legend Chimes, On Gandipet Road, Kokapet, K.V. Rangareddy 500 075, Telangana, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of Birth:</i> June 17, 1959</p> <p><i>Age:</i> 64</p> <p><i>DIN:</i> 08114119</p>	<ul style="list-style-type: none"> <li>• Premier Energies International Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Abhishek Loonker</b></p> <p><i>Designation:</i> Non-Executive Director<sup>(1)</sup></p> <p><i>Term:</i> Not liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since September 28, 2021</p> <p><i>Address:</i> 37 Narpat Nagar Pal Road, Jodhpur, 342 001 Rajasthan, India</p> <p><i>Occupation:</i> Investment Professional</p> <p><i>Date of Birth:</i> April 28, 1981</p> <p><i>Age:</i> 42</p> <p><i>DIN:</i> 02069419</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Indian Association of Investment Professionals</li> <li>• Premier Energies Global Environment Private Limited</li> <li>• Premier Energies International Private Limited</li> <li>• Premier Energies Photovoltaic Private Limited</li> <li>• Premier Solar Powertech Private Limited</li> <li>• Rochem Separation Systems (India) Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Sridhar Narayan</b></p> <p><i>Designation:</i> Non-Executive Director<sup>(1)</sup></p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since September 28, 2021</p> <p><i>Address:</i> Flat 202, Tower D, Raheja Vivarea, Sane Guruji Marg, Jacob Circle, Mahalaxmi, Mumbai 400 011, Maharashtra, India</p> <p><i>Occupation:</i> Private sector service</p> <p><i>Date of Birth:</i> October 30, 1971</p> <p><i>Age:</i> 52</p> <p><i>DIN:</i> 00137243</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Electrodrive Powertrain Solutions Private Limited</li> <li>• Hero Motors Limited</li> <li>• Seedworks International Private Limited</li> <li>• Seraphim Advisors India Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <ul style="list-style-type: none"> <li>• GEF Capital Partners LLC</li> </ul>
<p><b>Uday Sudhir Pilani</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Term:</i> Five years with effect from March 18, 2020</p> <p><i>Period of Directorship:</i> Director since March 18, 2020</p> <p><i>Address:</i> 1D Sai Raj Residency, Plot 128 Jubilee Gardens, Near Harsh Toyota, Kondapur, Gachibowli, K.V. Rangareddy 500 032, Telangana, India</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• 50kventures Advisors Private Limited</li> <li>• Coantum Immersive Private Limited</li> <li>• Dipamkara Web Ventures Private Limited</li> <li>• Invente Innovation Labs Private Limited</li> <li>• Pilani Organics Private Limited</li> <li>• Premier Energies International Private Limited</li> <li>• Premier Energies Photovoltaic Private Limited</li> </ul>

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
<p><i>Occupation:</i> Business</p> <p><i>Date of Birth:</i> October 16, 1971</p> <p><i>Age:</i> 52</p> <p><i>DIN:</i> 06572889</p>	<ul style="list-style-type: none"> <li>• Ryzeup Labs Private Limited</li> <li>• Shafali Fabrics Private Limited</li> <li>• Tristar Natural Resources Private Limited</li> <li>• Telangana Motor Sports Foundation</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Rohan Mehta</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Term:</i> Five years with effect from March 18, 2020</p> <p><i>Period of Directorship:</i> Director since March 18, 2020</p> <p><i>Address:</i> 8-2-293/82/L/27-B, MLA Colony, Banjara Hills, Khairatabad, Hyderabad 500 034, Telangana, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of Birth:</i> June 3, 1969</p> <p><i>Age:</i> 54</p> <p><i>DIN:</i> 03035696</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Pakeeza Infrastructure Development Company Private Limited</li> <li>• PCS Premier Energy Private Limited</li> <li>• Premier Energies International Private Limited</li> <li>• Premier Energies Photovoltaic Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Raghunathan Kannan</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Term:</i> Five years with effect from March 12, 2024</p> <p><i>Period of Directorship:</i> Director since March 12, 2024</p> <p><i>Address:</i> Plot No. 15 B 6 – 3 – 1099/1100, Somajiguda, Hyderabad 500 082, Telangana, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of Birth:</i> June 1, 1963</p> <p><i>Age:</i> 61</p> <p><i>DIN:</i> 00523576</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Eugia Pharma Specialities Limited</li> <li>• Fernandez Foundation</li> <li>• Nu Genes Agri Business Private Limited</li> <li>• Nu Genes Private Limited</li> <li>• Sathguru Software Products Private Limited</li> <li>• Sathguru Management Consultants Private Limited</li> <li>• Trust AMC Trustee Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Jasbir Singh Gujral</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Term:</i> Five years with effect from March 12, 2024</p> <p><i>Period of Directorship:</i> Director since March 12, 2024</p> <p><i>Address:</i> House no. K-165, South City-1, Gurugram 122 001, Haryana, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of Birth:</i> August 9, 1955</p> <p><i>Age:</i> 69</p> <p><i>DIN:</i> 00198825</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Eltek SGS Mechanics Private Limited.</li> <li>• Hamp Properties Private Limited</li> <li>• Johari Digital Healthcare Limited</li> <li>• SGS Manufacturing &amp; Trading Private Limited</li> <li>• SGS Infosystems Private Limited</li> <li>• Syrma SGS Technology and Engineering Services Limited</li> <li>• Syrma SGS Technology Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Priyanka Gulati</b></p>	<p><i>Indian Companies</i></p>



Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
<i>Designation:</i> Independent Director	<ul style="list-style-type: none"> <li>• EPACK Durable Limited</li> <li>• Krishna Penstone Automotive Private Limited</li> <li>• Talbros Automotive Components Limited</li> </ul>
<i>Term:</i> Five years with effect from March 12, 2024	<i>Foreign Companies</i>
<i>Period of Directorship:</i> Director since March 12, 2024	Nil
<i>Address:</i> A-9, Sarvodaya Enclave, South Delhi 110 017, Delhi, India	
<i>Occupation:</i> Professional	
<i>Date of Birth:</i> December 17, 1977	
<i>Age:</i> 46	
<i>DIN:</i> 07087707	

<sup>(1)</sup> *Nominee of South Asia Growth Fund II Holdings LLC and South Asia EBT Trust.*

### Brief profiles of our Directors

**Surender Pal Singh Saluja** is the Chairman and Whole-Time Director and one of the Promoters of our Company. He has been associated with our Company since its incorporation. He is responsible for providing strategic advice to the Board, and developing and executing our Company's business strategies. He has a bachelor's in engineering (mechanical) degree from Karnatak University, Dharwad, Karnataka. He was awarded the National Award for Outstanding Entrepreneurship in Micro and Small Enterprises by the Ministry of Micro, Small and Medium Enterprises, Government of India in 2007.

**Chiranjeev Singh Saluja** is the Managing Director of our Company and one of the Promoters of our Company. He has been associated with our Company since 1997. He is responsible for the overall operations of our Company and leading our Company's short and long-term strategy and setting strategic goals. He has completed his higher secondary education from the Hyderabad Public School and St. Mary's Junior College, Hyderabad. He was also honoured with a professional doctorate in global leadership and management by the European International University, Paris, France. He is a member of the Federation of Indian Chambers of Commerce and Industry and a director of the All India Solar Industries Association.

**Revathi Rohini Buragadda** is an Executive Director of our Company. She has been associated with our Company since June 17, 2019. She is responsible for overseeing indirect taxation, relations with governmental agencies, and general insurance for the Company and its Subsidiaries. She holds a bachelor of science degree in agriculture from Andhra Pradesh Agricultural University. She has previously served as a Deputy Commissioner of Commercial Taxes with the State Government of Andhra Pradesh.

**Abhishek Loonker** is a Non-Executive Director of our Company and a nominee of South Asia Growth Fund II Holdings LLC and South Asia EBT Trust. He has been associated with our Company since September 28, 2021. He holds a bachelor's degree in business administration from the B.K. Majmudar Institute of Business Administration, Gujarat University and a post graduate diploma in business management (international business) from MATS School of Business and IT, where he secured a first rank. He has also received a certificate for completion of a programme on "Corporate Restructuring, Mergers and Acquisitions: Creating Value in Turbulent Times" from Harvard Business School. He is a chartered financial analyst charterholder with the CFA Institute. Abhishek has been recognised as one of the '40 under 40' alternative investment professionals in India by the Association of International Wealth Management of India for 2017-2018.

**Sridhar Narayan** is a Non-Executive Director of our Company and a nominee of South Asia Growth Fund II Holdings LLC and South Asia EBT Trust. He has been associated with our Company since September 28, 2021. He holds a post graduate diploma in management from the Indian Institute of Management, Bangalore. He has also served on the board of directors of Renew Power Private Limited and Shakti Pumps (India) Limited.

**Uday Sudhir Pilani** is an Independent Director of our Company. He has been associated with our Company since March 18, 2020. He holds a bachelor's degree in commerce from Osmania University, Hyderabad. He has previously served as a director on the board of our Subsidiary PSPPL.

**Rohan Mehta** is an Independent Director of our Company. He has been associated with our Company since March 18, 2020. He holds a certificate of practice from the Institute of Chartered Accountants of India. He has been a member of the board of Pakeeza Infrastructure Development Company Private Limited since 2015.

**Raghunathan Kannan** is an Independent Director of our Company. He has been associated with our Company since March 12, 2024. He is a fellow of the Institute of Chartered Accountants of India. He is a chartered accountant with K Vijayaraghavan & Associates LLP, Chartered Accountants, where he has been handling acquisition/divestiture transaction consulting, risk evaluation, mergers and acquisitions, audits and supply chain evaluations. He is currently serving as a director on the board of Trust AMC Trustee Private Limited.

**Jasbir Singh Gujral** is an Independent Director of our Company. He has been associated with our Company since March 12, 2024. He has passed the bachelors of commerce (honours) examination from the University of Delhi. He is a fellow of the Institute of Chartered Accountants of India and an associate member of the Institute of Internal Auditors Inc., New York. He was previously associated with Triveni Engineering Works Limited. He is currently the managing director of Syrma SGS Technology Limited.

**Priyanka Gulati** is an Independent Director of our Company. She has been associated with our Company since March 12, 2024. She is an associate of the Institute of the Chartered Accountants of India. She was awarded the Outstanding Woman Entrepreneur of the Year at the third FLO Women Awards of Uttar Pradesh, 2017-2018 by FICCI. She is currently a partner at Grant Thornton Bharat LLP. She is also one of the co-founders of Manthan Management Solutions Private Limited and has served as a manager in Accenture Services Private Limited.

#### **Relationship between our Directors, Key Managerial Personnel and Senior Management**

Except as disclosed below, none of our Directors are related to each other or to any of the Key Managerial Personnel or Senior Management:

<b>Director/Key Managerial Personnel/ Senior Management</b>	<b>Relative</b>	<b>Nature of Relationship</b>
Surender Pal Singh Saluja <i>Chairman and Whole-Time Director</i>	Chiranjeev Singh Saluja	Son
Chiranjeev Singh Saluja <i>Managing Director</i>	Surender Pal Singh Saluja	Father
Revathi Rohini Buragadda <i>Executive Director</i>	Adapa Srinivas	Daughter's husband

#### **Terms of appointment of Directors**

##### *Terms of appointment of our Executive Directors*

##### ***Surender Pal Singh Saluja***

Pursuant to the resolutions passed by our Board and by our Shareholders dated February 17, 2024 and March 6, 2024 respectively, and on such terms and conditions set out in the appointment letter dated December 20, 2016, as amended by salary revision letter dated March 6, 2024 issued by our Company, Surender Pal Singh Saluja is entitled to a remuneration of ₹10.00 million per annum and other employee benefits which include corporate medical insurance coverage of up to ₹100 million per annum, including spouse and children cover; Company owned vehicle of value of up to ₹12.50 million along with chauffeur and annual maintenance as per actuals, gratuity and any other retirement benefits with effect from March 1, 2024.

##### ***Chiranjeev Singh Saluja***

Pursuant to the resolutions passed by our Board and by our Shareholders dated February 17, 2024 and March 6, 2024 respectively, and on such terms and conditions set out in the appointment letter dated December 20, 2016, as amended by salary revision letter dated March 6, 2024 issued by our Company, Chiranjeev Singh Saluja is entitled to a remuneration of ₹20.00 million per annum and other employee benefits which include corporate medical insurance coverage of up to ₹100 million per annum, including spouse and children cover, Company owned vehicle of value of up to ₹12.50 million along with chauffeur and annual maintenance as per actuals, gratuity and any other retirement benefits with effect from March 1, 2024.

##### ***Revathi Rohini Buragadda***

Pursuant to the resolutions passed by our Board and by our Shareholders dated February 17, 2024 and March 6, 2024, respectively, and on such terms and conditions set out in the appointment letter dated July 1, 2019, as amended by salary revision letter dated March 6, 2024 issued by our Company, Revathi Rohini Buragadda is entitled to a remuneration of ₹10.00 million per annum and other employee benefits with effect from March 1, 2024.

*Terms of appointment of our Non-Executive Director and Independent Directors*

As on the date of this Draft Red Herring Prospectus, the Non-Executive Directors of our Company are neither entitled to any sitting fees for attending meetings of the Board or any of its committees, nor entitled to any commission.

Pursuant to resolutions passed by our Board on March 17, 2020 and August 31, 2023, our Independent Directors are entitled to receive a sitting fee of ₹0.01 million for attending each meeting of our Board and ₹0.01 million for attending each meeting of the committee constituted by our Board, respectively.

**Payment or benefit to Directors of our Company**

Details of the sitting fees or other remuneration paid to our Directors in Fiscal 2024 are set forth below.

*Remuneration to our Executive Directors*

Details of the remuneration paid to our Executive Directors in Fiscal 2024 is set forth below:

<i>(in ₹ million)</i>		
Sr. No.	Name of the Executive Director	Remuneration
1.	Surender Pal Singh Saluja	6.71
2.	Chiranjeev Singh Saluja	9.35
3.	Revathi Rohini Buragadda	3.21

*Remuneration to our Non-Executive Director*

Abhishek Loonker and Sridhar Narayan were not paid any sitting fees or commission for Fiscal 2024 by our Company.

*Remuneration to our Independent Directors*

Details of the remuneration paid to our Independent Directors in Fiscal 2024 is set forth below:

<i>(in ₹ million)</i>		
Sr. No.	Name of the Independent Director	Remuneration
1.	Uday Sudhir Pilani	0.16
2.	Rohan Mehta	0.21
3.	Raghunathan Kannan	0.02
4.	Jasbir Singh Gujral	0.02
5.	Priyanka Gulati	0.01

**Remuneration paid to our Directors by our Subsidiaries or Associates**

None of our Directors have received any remuneration, sitting fees or commission from our Subsidiaries or Associates in Fiscal 2024.

**Bonus or profit-sharing plan for our Directors**

Our Company does not have any bonus or profit-sharing plan for our Directors.

**Contingent and deferred compensation payable to our Directors**

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

**Shareholding of our Directors in our Company**

Our Articles of Association do not require our Directors to hold any qualification shares.

Except as disclosed below and in “*Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*” on page 113, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Name	Number of Equity Shares	Percentage of pre-Offer Equity Share capital on a fully diluted basis (%)*
Surender Pal Singh Saluja	16,476,120	3.90
Chiranjeev Singh Saluja	273,675,382	64.84
<b>Total</b>	<b>290,151,502</b>	<b>68.75</b>

\* Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

#### Arrangement or understanding with major shareholders, customers, suppliers or others

Except for Abhishek Loonker and Sridhar Narayan, who have been appointed as nominees of South Asia Growth Fund II Holdings LLC and South Asia EBT Trust pursuant to the Shareholders’ Agreement, none of our current Directors have been appointed to our Board pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others. Further, none of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

#### Interest of Directors

Our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them.

Our Directors may also be interested to the extent of Equity Shares held by them or that may be subscribed by or allotted to any companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares, and to the extent of any directorships held by them in our Subsidiaries. Further, our Promoter and Managing Director, Chiranjeev Singh Saluja is a Selling Shareholder in the Offer. Our Non-Executive Directors, Abhishek Loonker and Sridhar Narayan, are beneficiaries of South Asia EBT Trust, an Investor Selling Shareholder. For further details regarding the shareholding of our Directors, see “*Our Management - Shareholding of our Directors in our Company*”, “*Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*” and “*Risk Factors - The proceeds from the Offer for Sale will be paid to the Selling Shareholders*” on pages 263, 113 and 69, respectively.

Further, our Directors may also be directors on the board, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had transactions and may be deemed to be interested to the extent of the payments made by our Company, or services provided by our Company, if any, to these entities. For further details, see ‘*Restated Consolidated Financial Information – Note 43 - Related Party Disclosures*’ on page 335.

#### Interest in land and property

Except as disclosed below, none of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

- a. The Company has purchased a villa, containing land measuring 359.00 square yards together with constructed area admeasuring 4,568.00 square feet situated at Narsingi Village, Narsingi Municipality, Gandipet Mandal, Ranga Reddy District, Telangana for a consideration of ₹34.20 million from Niyathi Naidu Madasu, daughter of our Director, Revathi Rohini Buragadda, in Fiscal 2021.
- b. The Company has purchased open land situated at Survey No. 69, Nandaram Village and Grampanchayat, Balanagar Revenue Mandal, Mahaboobnagar District, Telangana, for a consideration of ₹30.00 million from Niyathi Naidu Madasu, daughter of our Director, Revathi Rohini Buragadda, and other vendors, out of which

₹15.00 million was paid to Niyathi Naidu Madasu, in Fiscal 2022.

- c. The Company has purchased a flat admeasuring 2,070.00 square feet, together with undivided share of 72.00 square yards, in premises bearing 6-3-885, situated at Somajiguda, Hyderabad, for a consideration of ₹17.00 million from our Director, Revathi Rohini Buragadda, and her husband Ramesh Naidu, in Fiscal 2022.

#### *Interest in promotion of our Company*

Except Surender Pal Singh Saluja and Chiranjeev Singh Saluja, who are Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company, as on the date of this Draft Red Herring Prospectus.

#### *Loans to Directors*

As on the date of this Draft Red Herring Prospectus, no loans have been availed by our Directors from our Company.

#### *Loans given by Directors*

As on the date of this Draft Red Herring Prospectus, no loans have been given by our Directors to our Company.

#### **Confirmations**

None of our Directors is or has been a director on the board of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure, in the five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors have been or are directors on the board of any listed companies which is or has been delisted from any stock exchange(s) during his/her tenure.

No consideration in cash or shares or otherwise 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 a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

#### **Changes in our Board during the last three years**

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

<b>Name of Director</b>	<b>Date of Change</b>	<b>Reasons</b>
Abhishek Loonker	September 28, 2021	Appointment as Non-Executive Director as a nominee of South Asia Growth Fund II Holdings LLC and South Asia EBT Trust.
Sridhar Narayan	September 28, 2021	Appointment as Non-Executive Director as a nominee of South Asia Growth Fund II Holdings LLC and South Asia EBT Trust.
Jasveen Kaur	February 16, 2024	Resignation as a director due to re-constitution of the Board for compliance with corporate governance requirements
Jasbir Singh Gujral	March 12, 2024	Appointment as Independent Director
Raghunathan Kannan	March 12, 2024	Appointment as Independent Director
Priyanka Gulati	March 12, 2024	Appointment as Independent Director

#### **Borrowing Powers**

Pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 and our Articles of Association, subject to applicable laws and pursuant to the resolution passed by our Board dated September 3, 2019 and the special resolution passed by our Shareholders on September 4, 2019, our Board has been authorised to borrow monies from time to time, whether secured or unsecured, for the purpose of the business of our Company, notwithstanding that such borrowings, together with money already borrowed (apart from temporary loans obtained, if any, from the bankers in the ordinary course of business), may exceed the aggregate of the paid-

up share capital, free reserves and securities premium of our Company, provided that the total amount borrowed shall not at any time exceed the limit of ₹4,000 million.

### **Corporate Governance**

As on the date of this Draft Red Herring Prospectus, there are ten Directors on our Board comprising three Executive Directors, two Non-Executive Directors and five Independent Directors, including one woman Director. Uday Sudhir Pilani and Rohan Mehta, Independent Directors on our Board have also been appointed as independent directors on the board of directors of PEPPL, in accordance with Regulation 24 of the SEBI Listing Regulations.

Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company is in compliance and undertakes to take all necessary steps to continue to comply with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

### **Board committees**

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act, 2013:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee;
- (d) Corporate Social Responsibility Committee; and
- (e) Risk Management Committee.

### ***Audit Committee***

The Audit Committee was constituted by a resolution of our Board dated March 18, 2020 and was last reconstituted by a resolution passed by our Board dated March 12, 2024. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises of:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Committee Designation</b>
1.	Ragunathan Kannan	Independent Director	Chairperson
2.	Jasbir Singh Gujral	Independent Director	Member
3.	Abhishek Loonker	Non-Executive Director	Member

### ***Terms of Reference:***

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchange(s) from time to time, the following:

### **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice;
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to Premier Energies Limited (the “**Company**”) to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) for appointment, re-appointment, replacement, remuneration and other terms of appointment of statutory auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. matters required to be included in the director’s responsibility statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions; and
  - g. modified opinion(s) in the draft audit report.
- (5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
- (7) reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;
- (8) approval of 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 the conditions as may be prescribed, by the independent directors who are members of the Audit Committee;
  - i. Recommend criteria for omnibus approval or any changes to the criteria for approval of the Board;
  - ii. Make omnibus approval for related party transactions proposed to be entered into by the Company for every financial year as per the criteria approved;
  - iii. Review of transactions pursuant to omnibus approval;
  - iv. Make recommendation to the Board, where Audit Committee does not approve transactions other than the transactions falling under Section 188 of the Companies Act, 2013.

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

- (13) 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;
- (14) discussion with internal auditors of any significant findings and follow-up thereon;
- (15) 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;
- (16) 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;
- (17) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) reviewing the functioning of the whistle blower mechanism;
- (19) overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (20) approval of appointment of chief financial officer (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;
- (21) reviewing the utilization of loans and/or advances from/investment by the Company in its subsidiary(/ies) exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary(/ies), whichever is lower including existing loans/ advances/ investments;
- (22) review the financial statements, in particular, the investments made by any unlisted subsidiary;
- (23) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- (24) approving the key performance indicators (“KPIs”) for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law; and
- (25) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

#### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by the Board on March 18, 2020 and was last reconstituted by a resolution passed by our Board dated March 12, 2024. The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises of:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Committee Designation</b>
1.	Uday Sudhir Pilani	Independent Director	Chairperson
2.	Priyanka Gulati	Independent Director	Member
3.	Abhishek Loonker	Non-Executive Director	Member

#### ***Terms of Reference***



The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”);
- (2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (a) use the services of external agencies, if required;
  - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (c) consider the time commitments of the candidates.
- (3) Formulation of criteria for evaluation of performance of independent directors and the Board;
- (4) Devising a policy on Board diversity;
- (5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
- (6) Analysing, monitoring and reviewing various human resource and compensation matters;
- (7) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (8) 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;
- (9) recommend to the board, all remuneration, in whatever form, payable to senior management
- (10) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
- (11) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that -
  - (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) 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.
- (12) Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
  - (a) administering any existing and proposed employee stock option schemes formulated by the Company from time to time (the “**Plan**”);
  - (b) determining the eligibility of employees to participate under the Plan;
  - (c) granting options to eligible employees and determining the date of grant;
  - (d) determining the number of options to be granted to an employee;
  - (e) determining the exercise price under the Plan; and

- (f) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.
- (13) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (14) Carrying out any other activities as may be delegated by the Board of Directors of the Company, functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### ***Stakeholders' Relationship Committee***

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated March 12, 2024. The composition and terms of reference of Stakeholders' Relationship Committee are in compliance with Section 178 and any other applicable law of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises of:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Committee Designation</b>
1.	Uday Sudhir Pilani	Independent Director	Chairperson
2.	Raghunathan Kannan	Independent Director	Member
3.	Chiranjeev Singh Saluja	Managing Director	Member

### ***Terms of Reference***

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

- considering and looking into various aspects of interest of shareholders, debenture holders and other security holders
- resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent; and
- review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the Companies Act, 2013 or the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### ***Corporate Social Responsibility Committee***

The CSR Committee was constituted by a resolution of our Board dated March 16, 2015 and was last reconstituted by a resolution passed by our Board dated March 12, 2024. The composition and terms of reference are in compliance with Section 135 and other applicable provisions of the Companies Act, 2013. The CSR Committee currently comprises of:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Surender Pal Singh Saluja	Whole time Director	Chairperson
2.	Raghunathan Kannan	Independent Director	Member
3.	Uday Sudhir Pilani	Independent Director	Member

### ***Terms of Reference***

The Corporate Social Responsibility Committee be and is hereby authorized to perform the following functions:

- (1) 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, each as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- (2) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (3) monitor the Corporate Social Responsibility Policy of the Company from time to time;
- (4) identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (5) the Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:
  - (a) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
  - (b) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act, 2013;
  - (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - (d) monitoring and reporting mechanism for the projects or programmes; and
  - (e) details of need and impact assessment, if any, for the projects undertaken by the Company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect; and

- (6) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

### ***Risk Management Committee***

The Risk Management Committee was constituted by a resolution of our Board dated March 22, 2021 and was last reconstituted by a resolution passed by our Board dated March 12, 2024. The scope and functions of the Risk Management Committee are in compliance with the Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently comprises of:

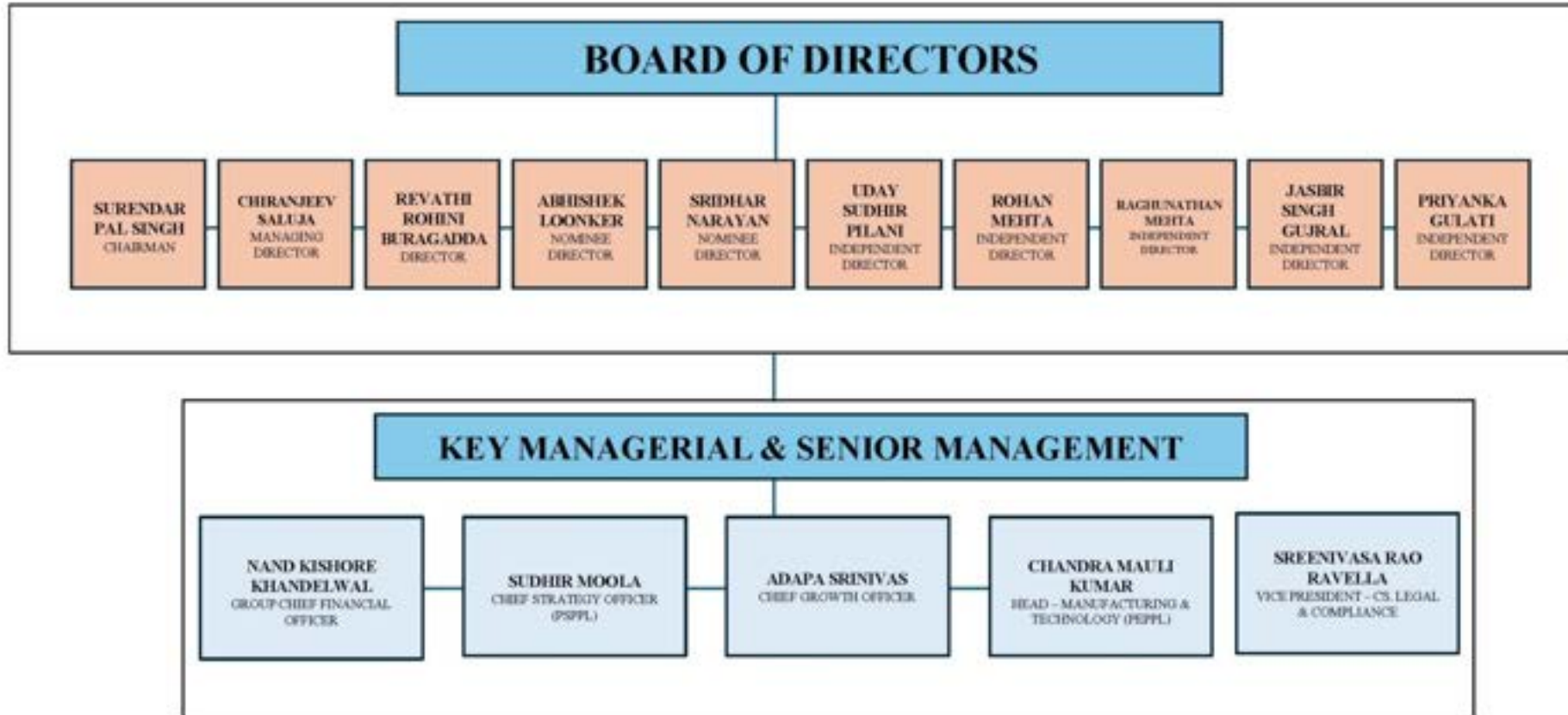
Sr. No.	Name of Director	Designation	Committee Designation
1.	Chiranjeet Singh Saluja	Managing Director	Chairperson
2.	Jasbir Singh Gujral	Independent Director	Member
3.	Raghunathan Kannan	Independent Director	Member

### ***Terms of Reference***

The role and responsibility of the Risk Management Committee shall be as follows:

- (1) Review, assess and formulate the risk management system and policy of the Company from time to time and recommend for an amendment or modification thereof, which shall include:
  - (a) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
  - (b) measures for risk mitigation including systems and processes for internal control of identified risks; and
  - (c) business continuity plan;
- (2) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;
- (5) Keep the Board of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
- (7) To implement and monitor policies and/or processes for ensuring cyber security;
- (8) To 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; and
- (9) Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Management Organisation Structure



## Key Managerial Personnel and Senior Management

### *Key Managerial Personnel*

The details of our Key Managerial Personnel, as of the date of this Draft Red Herring Prospectus are as follows:

In addition to our Chairman and Whole-Time Director, Surender Pal Singh, our Managing Director, Chiranjeev Singh Saluja and our Executive Director, Revathi Rohini Buragadda, whose details are provided in “– **Brief Profiles of our Directors**” above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

**Nand Kishore Khandelwal** is the Group Chief Financial Officer of our Company. He is responsible for finance function, strategic planning and information technology in our Company. He has been associated with our Company since September 1, 2023. He is an associate member of the Institute of Chartered Accountants of India. He was previously associated with Param Industries Limited, Dukes Products (India) Limited, Alumeco India Extrusion Limited, and Pitti Engineering Limited. He has received a certificate for ‘Asia’s 100 Power Leaders in Finance 2022’ from White Page International. He also received recognition as one of the ‘Top 10 Chief Financial Officers – 2022’ in his capacity as the President – Corporate Resources and Chief Financial Officer, Pitti Engineering Limited, from CEO Insights. In Fiscal 2024, he received an aggregate remuneration of ₹8.04 million.

**Ravella Sreenivasa Rao** is the Vice President - Company Secretary, Legal and Compliance Officer of our Company. He has been associated with our Company since March 24, 2022. He is responsible for secretarial, legal, and compliance related functions in our Company. He is an associate of the Institute of Company Secretaries of India and an insolvency professional registered with the Insolvency and Bankruptcy Board of India. He was previously associated with Keerthi Industries Limited, Pridhvi Asset Reconstruction and Securitisation Company Limited, Tecumseh Products India Private Limited and SMS Pharmaceuticals Limited. In Fiscal 2024, he received an aggregate remuneration of ₹2.85 million.

### *Senior Management*

**Sudhir Moola** is the Chief Strategy Officer of our Subsidiary, PSPPL. He has been associated with our Subsidiary, PSPPL since April 1, 2018. He is responsible for strategic and capital expansion plans across the Company and the Subsidiaries. He holds a bachelor’s degree in technology (electronics and communication engineering) from Jawaharlal Nehru Technological University, Hyderabad, a master’s degree in science (electrical engineering) from Colorado State University, USA and has completed the post graduate programme in management from the Indian School of Business, Hyderabad. Prior to joining PSPPL, he was associated with Price Waterhouse Coopers, USA. In Fiscal 2024, he received an aggregate remuneration of ₹6.59 million.

**Adapa Srinivas** is the Chief Growth Officer of our Company. He has been associated with our Company since March 13, 2024. He is responsible for the business development, sales and marketing functions of the Company. He holds a bachelor’s degree in engineering from Nagpur University and a post graduate diploma in management from Indian Institute of Management, Lucknow. He was previously associated with Burger King India Limited and Kellogg India Private Limited. In Fiscal 2024, he received an aggregate remuneration of ₹0.45 million.

**Chandra Mauli Kumar** is the Head – Manufacturing and Technology of our Subsidiary, PEPPL. He has been associated with our Subsidiary, PEPPL, since March 8, 2022. He is responsible for production, engineering, projects and setting up cell and module lines in the Company and Subsidiaries. He holds a degree of master of science (electronics) from the University of Delhi. He was previously associated with Indosolar Limited and Tata Power Solar System Limited. In Fiscal 2024, he received an aggregate remuneration of ₹10.39 million.

## Status of Key Managerial Personnel and Senior Management

Other than Sudhir Moola, our Chief Strategy Officer, who is a permanent employee on the rolls of our Subsidiary, PSPPL, and Chandra Mauli Kumar, our Head – Manufacturing and Technology, who is a permanent employee on the rolls of our Subsidiary, PEPPL, all the Key Managerial Personnel and Senior Management are permanent employees of our Company.

## Relationship among Key Managerial Personnel and Senior Management

Except as disclosed below, none of our Key Managerial Personnel and Senior Management are related to each other.

<b>Key Managerial Personnel/ Senior Management</b>	<b>Relative</b>	<b>Nature of Relationship</b>
Surender Pal Singh Saluja <i>Chairman and Whole-Time Director</i>	Chiranjeev Singh Saluja	Son
Chiranjeev Singh Saluja <i>Managing Director</i>	Surender Pal Singh Saluja	Father
Revathi Rohini Buragadda <i>Executive Director</i>	Adapa Srinivas	Daughter's husband
Adapa Srinivas <i>Chief Growth Officer</i>	Revathi Rohini Buragadda	Spouse's mother

### **Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel or Senior Management are party to any bonus or profit-sharing plan of our Company.

### **Shareholding of Key Managerial Personnel and Senior Management in our Company**

Except as disclosed below and in “*Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*” on page 135, none of our Key Managerial Personnel or Senior Management, hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

<b>Name</b>	<b>Number of Equity Shares</b>	<b>Percentage of pre-Offer Equity Share capital on a fully diluted basis<sup>(1)</sup> (%)</b>
Surender Pal Singh Saluja	16,476,120	3.90
Chiranjeev Singh Saluja	273,675,382	64.84
Sudhir Moola	15,114,560	3.58
<b>Total</b>	<b>305,266,062</b>	<b>72.33</b>

<sup>(1)</sup> Includes Equity Shares to be allotted upon conversion of Compulsorily Convertible Debentures. As on the date of this Draft Red Herring Prospectus, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust hold 17,600,000 CCDs in the aggregate, that are outstanding, and such 17,600,000 CCDs shall be converted into 88,000,000 Equity Shares in the ratio of five Equity Shares for each CCD held prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

### **Service Contracts with Directors and Key Managerial Personnel and Senior Management**

Except as disclosed below, none of our Directors, Key Managerial Personnel and Senior Management have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

PEPPL has entered into an agreement dated April 8, 2022 with our Head – Manufacturing and Technology, Chandra Mauli Kumar, for a fixed period of five years effective from April 8, 2022 till March 31, 2027, whereunder he is entitled to compensation of ₹ 6 million (subject to taxes), if PEPPL chooses to end the agreement, with or without a cause or reason, before the completion of this five year term.

### **Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management**

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management, which does not form part of their remuneration.

### **Arrangements and understanding with major shareholders, customers, suppliers or others**

None of the Key Managerial Personnel or Senior Management of our Company have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

### **Interest of Key Managerial Personnel and Senior Management**

Other than as disclosed in “*Our Management - Interest of Directors*” above, the Key Managerial Personnel and Senior Management of our Company do not have any interest 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 business.

### **Changes in Key Managerial Personnel or Senior Management during the last three years**

Except as disclosed below and in “– *Changes in our Board during the last three years*” above, there are no other changes in our Key Managerial Personnel or Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus:

<b>Name</b>	<b>Date of Change</b>	<b>Reasons</b>
Adapa Srinivas	March 13, 2024	Appointed as the Chief Growth Officer of our Company
Sudhir Moola	March 13, 2024	Redesignated as Chief Strategy Officer of our Subsidiary PSPPL
Chandramauli Kumar	March 13, 2024	Redesignated as Head – Manufacturing and Technology of our Subsidiary PEPPL
Nand Kishore Khandelwal	September 1, 2023	Appointed as the Group Chief Financial Officer of our Company and our Subsidiary, PEPPL
Priyadarshan Bhatewara	March 31, 2023	Resignation as chief financial officer
Shruti Walia	March 25, 2022	Resignation as company secretary
Ravella Sreenivasa Rao	March 24, 2022	Appointed as the Vice President - Company Secretary, Legal and Compliance
Chandramauli Kumar	March 8, 2022	Appointed as the Head – Module and Cell Manufacturing and Technology of our Subsidiary PEPPL
Shruti Walia	September 16, 2021	Appointed as the company secretary
Shantipriya Ramesh Kalkur	September 15, 2021	Resignation as company secretary

#### **Employee stock option and stock purchase schemes**

For details of the employee stock option scheme implemented by our Company, see “*Capital Structure – Employee Stock Options Scheme of our Company*” on page 114.

#### **Payment or Benefit to Key Managerial Personnel and Senior Management of our Company**

No non-salary related amount or benefit has been paid or given to any of our Company’s officers including our Directors, Key Managerial Personnel and Senior Management within the two preceding years of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.



## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

Surender Pal Singh Saluja and Chiranjeev Singh Saluja are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters hold in aggregate 290,151,502 Equity Shares, which constitutes 68.75% on a fully diluted basis of the issued, subscribed and paid-up Equity Share capital of our Company.

For details on shareholding of our Promoters in our Company, see “*Capital Structure – History of the share capital held by the Promoters - Build-up of Promoters’ shareholding in our Company*” on page 104.

### Details of our Promoters

#### Surender Pal Singh Saluja



Surender Pal Singh Saluja, born on December 26, 1946, aged 77 years, is one of our Promoters and the Chairman and Whole-Time Director on our Board. He is a resident of Plot No. C-27, Vikrampuri Colony, Secunderabad, Hyderabad 500 009, Telangana, India. For the complete profile of Surender Pal Singh Saluja, along with the details of his educational qualification, experience in the business/employment, positions/posts held in past, directorship, special achievements, his business and financial activities, and his other ventures see ‘*Our Management - Brief profiles of our Directors*’ on page 260. His PAN is ABMPS7079N.

#### Chiranjeev Singh Saluja



Chiranjeev Singh Saluja, born on September 17, 1973, aged 50 years, is one of our Promoters and the Managing Director on our Board. He is a resident of Plot No. C-27, Vikrampuri Colony, Secunderabad, Hyderabad 500 009, Telangana, India. For the complete profile of Chiranjeev Singh Saluja, along with the details of his educational qualification, experience in the business/employment, positions/posts held in past, directorship, special achievements, his business and financial activities, and his other ventures, see “*Our Management - Brief profiles of our Directors*” on page 260. His PAN is ABWPS5533K.

Except as disclosed below, our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhar card numbers and driving licence numbers of our Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Our Promoter, Surender Pal Singh Saluja does not hold a driving license.

## Change in the management and control of our Company

Our Promoters are the original promoter of our Company and there has been no change in the control of our Company in the last five years.

## Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding and their directorships in our Company and our Subsidiaries and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company and our Subsidiaries or the shareholding of their relatives in our Company. For details of the shareholding of our Promoters in our Company, see '*Capital Structure – History of the share capital held by the Promoters- Build-up of Promoter's shareholding in our Company*' on page 104. For details of the shareholding of our Promoters in our Subsidiaries, see '*Our Subsidiaries and Associates - Subsidiaries of our Company*' on page 251.

For details of the interest of our Promoters as Directors of the Company and our Subsidiaries, also see '*Our Management - Interest of Directors*' and '*Restated Consolidated Financial Information – Note 43 - Related Party Disclosures*' on pages 263 and 335, respectively.

Our Promoters have no interest in any property acquired by our Company during the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Our Promoters have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

## Payments or benefits to our Promoters or members of our Promoter Group

Except in the ordinary course of business and as disclosed in '*Our Management - Terms of appointment of Directors*', '*Our Management - Payment or benefit to Directors of our Company*' and '*Restated Consolidated Financial Information – Note 43 - Related Party Disclosures*' on pages 261, 262 and 335, respectively, no amount or benefit has been paid or given to our Promoters or members of our Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or members of our Promoter Group.

## Material guarantees to third parties with respect to the Equity Shares

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares, as on the date of this Draft Red Herring Prospectus.

## Disassociation by our Promoters in the three immediately preceding years

Except as disclosed below, our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of this Draft Red Herring Prospectus:

Name of Company or firm from which Promoters have disassociated	Reasons and circumstances leading to the disassociation	Date of disassociation
<i>Surender Pal Singh Saluja</i>		
Water Tech Engineers	Exit from the partnership firm	March 2, 2024
<i>Chiranjeev Singh Saluja</i>		
Asian Power Projects Private Limited	Resignation from directorship	September 30, 2023

## Promoter Group

The following individuals and entities constitute our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

### ***Natural persons who are part of the Promoter Group***

The natural persons who are part of the Promoter Group, are as follows:

#### ***(a) Immediate relatives of our Promoters***

<b>Name of Promoter</b>	<b>Name of relative</b>	<b>Relationship</b>	
<b>Surender Pal Singh Saluja</b>	Manjeet Kaur Saluja	Spouse	
	Rajender Singh Saluja	Brother	
	Kuldip Singh Saluja	Brother	
	Manjeet Kaur Gujral	Sister	
	Charanjeet Chowdhary	Sister	
	Chiranjeev Singh Saluja	Son	
	Bipindeep Singh Saluja	Son	
	Jasveen Kaur	Daughter	
	Diljit Singh Chhabra	Spouse's brother	
	Surinder Kaur Saluja	Spouse's sister	
	<b>Chiranjeev Singh Saluja</b>	Surender Pal Saluja	Father
		Manjeet Kaur Saluja	Mother
		Vivana Saluja	Spouse
		Bipindeep Singh Saluja	Brother
Jasveen Kaur		Sister	
Krishankk Singh Saluja		Son	
Visannya C Saluja		Daughter	
Anilkumar Verma		Spouse's father	
Aumita Verma		Spouse's mother	
Sushank Verma		Spouse's brother	
Moohit Verma		Spouse's brother	

(a) *In addition to the individuals mentioned above, persons whose shareholding is aggregated under the heading "shareholding of the promoter group":*

- (i) Charandeep Singh Saluja

#### ***Entities forming part of the Promoter Group***

The entities forming part of our Promoter Group are as follows:

1. Chiranjeev Singh Saluja Trust
2. Chiranjeev Singh Saluja HUF
3. KVR Constructions
4. Premier Stainless-Steel Wires Private Limited
5. Premier Tirupati Solar Private Limited
6. Sunali International
7. Surender Pal Singh Saluja Trust
8. Surenderpal Singh Saluja HUF
9. Water Tech Engineers

## DIVIDEND POLICY

The dividend distribution policy of our Company was approved and adopted by our Board on February 29, 2024 (“**Dividend Policy**”). In terms of the Dividend Policy, the declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable laws including the Companies Act, 2013, read with the rules notified thereunder, each as amended.

Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of the Board and will depend on a number of factors, including but not limited to, (i) financial parameters such as profits earned during the year, our company’s liquidity position and future cash flow needs, and capital expenditure requirements considering expansion and acquisition opportunities; (ii) internal factors such as inorganic growth plans, reinvestment opportunities, past dividend trends and providing for contingencies; and (iii) external factors such as the economic environment, legal and regulatory framework, and prevailing taxation policy. In addition, the ability of our Company 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 funding requirements for our business activities. For details in relation to risks involved in this regard, see “*Risk Factors – Our Company cannot assure payment of dividends on the Equity Shares in the future*” on page 69.

Our Company has not declared and paid any dividend on the Equity Shares in the three Fiscals and the nine months period ended December 31, 2023 preceding the date of this Draft Red Herring Prospectus and the period from January 1, 2024 until the date of this Draft Red Herring Prospectus.

**SECTION V – FINANCIAL INFORMATION**  
**RESTATED CONSOLIDATED FINANCIAL INFORMATION**

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## **INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION**

The Board of Directors

**Premier Energies Limited (formerly known as Premier Solar Systems Private Limited)**

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 5 and 6 below), the attached Restated Consolidated Financial Information of **Premier Energies Limited** (formerly known as Premier Solar Systems Private Limited) (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries collectively referred to as the "Group") which includes Group's share of the net profit of its associates, which comprises of the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Cash Flows, the Restated Consolidated Statement of Changes in Equity, for the nine month period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of Material Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company ("the Board") at their meeting held on March 14, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") 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, as amended ("the Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "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 ("the Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited ("NSE") (collectively, with BSE Limited, the "Stock Exchanges") 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 Note 2(A) to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group and of its associates are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information. The respective Board of Directors are also responsible for identifying and ensuring that the Group and its associates complies with the Act, the 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 February 15, 2024 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note read with SEBI Communication, as applicable. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on 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, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the Management from:

- a) the audited Special Purpose Consolidated Interim Financial Statements as at and for the nine month period ended December 31, 2023 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India , which have been approved by the Board of Directors at their meeting held on March 14, 2024.
- b) the audited Consolidated Ind AS Financial Statements of the Group and its associates as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with the 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 meeting held on September 29, 2023, December 22, 2022 and December 21, 2021 respectively.

5. For the purpose of our examination, we have relied on:

- a) Auditors' report issued by us dated March 14, 2024 on the Special Purpose Consolidated Interim Ind AS Financial Statements of the Group and its associates as at and for the nine month period ended December 31, 2023 as referred in Paragraph 4(a) above.
- b) Auditors' reports issued by us dated September 29, 2023 and December 22, 2022 on the consolidated Ind AS financial statements of the Group and its associates as at and for the years ended March 31, 2023 and 2022 as referred in Paragraph 4(b) above.
- c) Auditors' report issued by previous auditor, Sharad & Associates, Chartered Accountants, ("the Previous Auditors") dated December 21, 2021 on the consolidated Ind AS financial statements of the Group and its associates as at and for the year ended March 31, 2021, which includes the following emphasis of matter paragraph (as refer note 29 to the Restated Consolidated Financial Information):

"We draw attention to Note 26 of the consolidated Ind AS financial statements wherein certain non-compliances with ESI and PF Acts have been reported with respect to a subsidiary audited by other auditor. The auditors of such a subsidiary company have reported an Emphasis of Matter in this regard in their report of the said subsidiary company. Our opinion is not modified in respect of above matters."

The audits for the financial year ended March 31, 2021 were conducted by the Company's Previous Auditors, and accordingly reliance has been placed on the restated consolidated statement of assets and liabilities, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of cash flows, the restated consolidated statement of changes in equity,, the summary statement of material accounting policies, and other explanatory information (collectively, the "2021 Restated Consolidated Financial Information") examined by them for the said year. The examination report included for the said year is based solely on the report submitted by the Previous Auditors. They have also confirmed that the 2021 Restated Consolidated Financial Information:

- a) 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, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2023;

- b) do not require any adjustment for modification as there is no modification in the underlying audit report. There is an item relating to emphasis of matter (refer paragraph 5 above), which do not require any adjustment to the Restated Consolidated Financial Information; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

6. As indicated in our audit report referred above:

We did not audit financial statements of a subsidiary whose financial statements reflect total assets, total revenues, net cash inflows and two associates whose share of profit included in the consolidated financial information, for the relevant year is tabulated below, which have been audited by other auditors (listed in Appendix I), and whose report have been furnished to us by the Company's 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 components, is based solely on the report of the other auditors:

(₹ in million)

<b>Particulars</b>	<b>As at/ for the period ended December 31, 2023</b>	<b>As at/ for the year ended March 31, 2023</b>	<b>As at/ for the year ended March 31, 2022</b>
Number of subsidiary	1	1	1
Number of associates	2	2	2
Total assets	Nil	Nil	0.66
Total revenue	Nil	Nil	Nil
Net cash inflow	0.00	0.00	0.00
Share of profit from associates	9.87	12.18	11.75

Our opinion on the consolidated financial statements is not modified in respect of this matter.

These other auditors of subsidiary and associates, as mentioned above, have examined the restated financial information (listed in Appendix II) and have confirmed that the restated financial information:

- a) 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, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2023;
- b) do not require any adjustment for modification as there is no modification in the underlying audit report; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. Based on examination report dated March 14, 2024 provided by the Previous Auditors, the audit reports on the consolidated financial statements issued by the Previous Auditors included following other matters:

- a) "As indicated in our audit reports referred above, we did not audit the financial statements of 4 subsidiaries and 3 associates including a foreign subsidiary and whose share of total assets, total revenues, net cash outflows and share of profit in its associates included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors (listed in Appendix III), and whose reports have been furnished to us, by the Company's 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 components, is based solely on the reports of the other auditors:



(₹ in million)

<b>Particulars</b>	<b>As at/ for the year ended March 31, 2021</b>
Total Assets	4,136.11
Total Revenues	97.22
Net cash outflows	(56.22)
Share of profit in its associates	6.49

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

Certain of these other auditors of the subsidiaries and associates, as mentioned above, have examined the restated financial information (listed in Appendix III), and have confirmed that the restated financial information:

- a) 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, 2021 to reflect the same accounting treatment as per the accounting policies; and
- b) do not require any adjustment for modification as there is no modification in the underlying audit report; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.”

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports submitted by the Previous Auditors and other auditors for the respective years, we report that the Restated Consolidated Financial Information:

- a) 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, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2023;
- b) do not require any adjustment for modification as there is no modification in the underlying audit report. There is an item relating to emphasis of matter (refer paragraph 5 above), which do not require any adjustment to the Restated Consolidated Financial Information; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements/special purpose consolidated interim financial statements mentioned in paragraph 4 above.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

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 SEBI and the Stock Exchanges, in connection with the proposed IPO. 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 **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No.008072S)

**Ajay Jhavar**  
Partner  
(Membership No. 223888)  
(UDIN: 24223888BKFRUU2217)

Place: Hyderabad  
Date: March 14, 2024

**Appendix I****List of Subsidiary / Associates audited by other auditors**

<b>Name of the Entity</b>	<b>Relationship</b>	<b>Name of the Independent Auditor</b>	<b>Periods audited/examined</b>
IBD Solar Powertech (Private) Limited	Step-down Subsidiary	H M Enam & Co.	As at/ for the nine month period ended December 31, 2023  and  As at/ for the year ended March 31, 2023
		Sharad & Associates	As at/ for the year ended March 31, 2022
Brightstone Developers Private Limited	Associate	Sathish Ramdeni & Co	As at/ for the nine month period ended December 31, 2023  and  As at/ for the year ended March 31, 2023 and 2022
Mavyatho Ventures Private Limited	Associate	Sathish Ramdeni & Co	As at/ for the nine month period ended December 31, 2023  and  As at/ for the year ended March 31, 2023 and 2022

**Appendix II****List of Subsidiary / Associates examined by other auditors**

<b>Name of the Entity</b>	<b>Relationship</b>	<b>Name of the Independent Auditor</b>	<b>Periods audited/examined</b>
IBD Solar Powertech (Private) Limited	Step-down Subsidiary	H M Enam & Co.	As at/ for the nine month period ended December 31, 2023 and As at/ for the year ended March 31, 2023 and 2022
Brightstone Developers Private Limited	Associate	Sathish Ramdeni & Co	As at/ for the nine month period ended December 31, 2023 and As at/ for the year ended March 31, 2023 and 2022
Mavyatho Ventures Private Limited	Associate	Sathish Ramdeni & Co	As at/ for the nine month period ended December 31, 2023 and As at/ for the year ended March 31, 2023 and 2022

**Appendix III****List of Subsidiary / Associates audited/examined by other auditors**

<b>Name of the Entity</b>	<b>Relationship</b>	<b>Name of the Independent Auditor</b>	<b>Periods audited / examined</b>
IBD Solar Powertech (Private) Limited	Step-down Subsidiary	Tofayel Ahmed & Co.	Audited as at/ for the year ended March 31, 2021
Premier Energies Photovoltaic Private Limited	Subsidiary	Sathish Ramdeni & Co	As at/ for the year ended March 31, 2021
Premier Photovoltaic Gajwel Private Limited	Subsidiary	Sathish Ramdeni & Co	As at/ for the year ended March 31, 2021
Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	Sathish Ramdeni & Co	As at/ for the year ended March 31, 2021
Brightstone Developers Private Limited	Associate	Sathish Ramdeni & Co	As at/ for the year ended March 31, 2021
Mavyatho Ventures Private Limited	Associate	Sathish Ramdeni & Co	As at/ for the year ended March 31, 2021
Premier Lords Private Limited	Associate	Sathish Ramdeni & Co	As at/ for the year ended March 31, 2021

Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)  
Corporate Identity Number (CIN) : U40106TG1995PLC019909  
Restated Consolidated Statement of Assets and Liabilities  
(All amounts in ₹ million, unless otherwise stated)

Particulars	Note	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4.1	11,688.00	5,836.14	4,714.48	4,196.13
Right-of-use assets	4.2	92.01	4.20	7.16	9.36
Capital work in progress	4.3	402.03	3,493.26	1,141.96	0.86
Investment property	4.4	57.58	58.04	58.65	46.91
Goodwill	4.5	0.06	0.06	0.06	-
Other intangible assets	4.6	16.20	20.63	4.70	2.19
Financial assets					
(i) Investments	5.1	87.40	70.14	65.18	91.42
(ii) Loans	5.2	21.99	21.99	-	-
(iii) Other financial assets	5.3	1,055.65	397.73	531.46	593.22
Deferred tax assets (net)	23	69.46	2.49	11.18	15.67
Other non-current assets	6	154.13	589.29	236.49	363.88
Income tax assets (net)	7	54.11	55.50	-	-
<b>Total non-current assets</b>		<b>13,698.62</b>	<b>10,549.47</b>	<b>6,771.32</b>	<b>5,319.64</b>
<b>Current assets</b>					
Inventories	8	7,995.60	6,328.55	2,169.27	626.41
Financial assets					
(i) Investments	9.1	-	517.58	482.17	-
(ii) Trade receivables	9.2	2,517.81	594.61	1,451.82	1,620.00
(iii) Cash and cash equivalents	9.3	2,163.77	645.70	800.99	144.54
(iv) Bank balances other than (iii) above	9.4	1,723.84	1,288.99	795.78	649.62
(v) Loans	9.5	9.55	3.50	6.93	18.44
(vi) Other financial assets	9.6	222.86	80.04	117.77	67.61
Current tax assets (net)	10	-	20.68	12.78	-
Other current assets	11	1,055.27	1,077.76	788.97	1,178.31
Assets classified as held for sale	12	-	-	17.14	144.12
<b>Total current assets</b>		<b>15,688.70</b>	<b>10,557.41</b>	<b>6,643.62</b>	<b>4,449.05</b>
<b>Total assets</b>		<b>29,387.32</b>	<b>21,106.88</b>	<b>13,414.94</b>	<b>9,768.69</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	13	263.46	263.46	263.46	249.51
Instruments entirely equity in nature	14	1,698.74	1,698.74	1,698.74	-
Other equity	15	3,442.56	2,149.95	1,984.04	1,971.17
<b>Equity attributable to the owners of the company</b>		<b>5,404.76</b>	<b>4,112.15</b>	<b>3,946.24</b>	<b>2,220.68</b>
Non controlling interest		130.34	130.34	93.15	169.45
<b>Total equity</b>		<b>5,535.10</b>	<b>4,242.49</b>	<b>4,039.39</b>	<b>2,390.13</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Financial liabilities					
(i) Borrowings	16.1	8,499.08	5,698.10	3,322.71	2,467.50
(ii) Lease liabilities	16.2	77.33	1.38	4.43	5.31
Provisions	17	385.57	287.49	307.60	349.88
Deferred tax liability (net)	23	452.52	83.83	76.27	188.67
Other non-current liabilities	18	408.71	419.28	526.95	253.22
<b>Total non-current liabilities</b>		<b>9,823.21</b>	<b>6,490.08</b>	<b>4,237.96</b>	<b>3,264.58</b>
<b>Current liabilities</b>					
Financial liabilities					
(i) Borrowings	19.1	5,601.37	1,937.32	1,210.26	984.43
(ii) Lease liabilities	19.2	14.57	3.06	2.65	2.52
(iii) Trade payables	19.3				
(a) Total outstanding dues of micro enterprises and small enterprises		108.95	142.52	207.34	83.38
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,906.70	3,836.63	2,492.08	1,539.48
(iv) Other financial liabilities	19.4	1,123.19	1,689.72	339.06	380.43
Other current liabilities	20	2,209.44	2,759.82	877.66	1,108.08
Provisions	21	8.00	5.24	8.54	4.48
Current tax liabilities (net)	22	56.79	-	-	11.18
<b>Total current liabilities</b>		<b>14,029.01</b>	<b>10,374.31</b>	<b>5,137.59</b>	<b>4,113.98</b>
<b>Total liabilities</b>		<b>23,852.22</b>	<b>16,864.39</b>	<b>9,375.55</b>	<b>7,378.56</b>
<b>Total equity and liabilities</b>		<b>29,387.32</b>	<b>21,106.88</b>	<b>13,414.94</b>	<b>9,768.69</b>

The accompanying notes are an integral part of the restated consolidated financial information

In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

For and on behalf of the Board of Directors of  
**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**

**Ajay Jhavar**  
Partner  
Membership Number: 223888

**Surenderpal Singh Saluja**  
Chairman & Whole Time Director  
DIN: 00664597

**Chiranjeev Singh Saluja**  
Managing Director  
DIN: 00664638

**Ravella Sreenivasa Rao**  
Company Secretary  
Membership Number: A17755

**Nand Kishore Khandelwal**  
Chief Financial Officer  
Membership Number: 074967

Place: Hyderabad  
Date: March 14, 2024

Place: Hyderabad  
Date: March 14, 2024

Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)  
Corporate Identity Number (CIN) : U40106TG1995PLC019909  
Restated Consolidated Statement of Profit and Loss  
(All amounts in ₹ million, unless otherwise stated)

Particulars	Note	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>					
Revenue from operations	24	20,172.06	14,285.34	7,428.71	7,014.58
Other income	25	155.56	346.78	241.62	347.77
<b>Total income</b>		<b>20,327.62</b>	<b>14,632.12</b>	<b>7,670.33</b>	<b>7,362.35</b>
<b>Expenses</b>					
Cost of materials consumed	26	15,660.27	11,105.19	3,987.20	4,768.23
Purchases of stock-in-trade		1,291.44	1,568.23	2,281.31	519.68
Changes in inventories of finished goods and work-in-progress	27	(1,867.17)	(934.07)	(397.93)	(80.83)
Contract execution expense	28	408.57	246.09	316.12	576.92
Employee benefits expense	29	401.69	448.09	246.38	196.73
Finance costs	30	759.93	686.27	430.03	216.56
Depreciation and amortisation expenses	31	590.46	532.33	276.01	116.41
Other expenses	32	1,344.25	1,069.78	699.87	496.96
<b>Total expenses</b>		<b>18,589.44</b>	<b>14,721.91</b>	<b>7,838.99</b>	<b>6,810.66</b>
<b>Restated Profit / (Loss) before tax and share of profit of associates</b>		<b>1,738.18</b>	<b>(89.79)</b>	<b>(168.66)</b>	<b>551.69</b>
Share of profit of associates		9.87	12.19	11.75	6.50
<b>Restated Profit / (Loss) before tax</b>		<b>1,748.05</b>	<b>(77.60)</b>	<b>(156.91)</b>	<b>558.19</b>
<b>Tax expense:</b>	23				
Current tax		173.43	39.95	95.04	179.65
Deferred tax charge / (credit)		300.60	15.81	(107.87)	120.47
<b>Total tax expense</b>		<b>474.03</b>	<b>55.76</b>	<b>(12.83)</b>	<b>300.12</b>
<b>Restated Profit / (Loss) for the period / year</b>		<b>1,274.02</b>	<b>(133.36)</b>	<b>(144.08)</b>	<b>258.07</b>
<b>Other Comprehensive Income / (Loss)</b>	33				
<b>(i) Items that will not be reclassified subsequently to profit or loss</b>					
Re-measurement of gain/ (loss) on defined benefit plans		(3.41)	1.88	(0.16)	4.55
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		0.74	(0.44)	0.04	(1.15)
<b>(iii) Items that will be reclassified subsequently to profit or loss</b>					
Gain/ (loss) on fair value of investment carried at fair value through other comprehensive income		7.39	-	-	(3.85)
<b>(iv) Income tax relating to items that will be reclassified to profit or loss</b>		(1.86)	-	-	-
<b>Restated Other Comprehensive Income / (Loss) for the period/year</b>		<b>2.86</b>	<b>1.44</b>	<b>(0.12)</b>	<b>(0.45)</b>
<b>Restated Total Comprehensive Income/ (Loss) for the period / year</b>		<b>1,276.88</b>	<b>(131.92)</b>	<b>(144.20)</b>	<b>257.62</b>
<b>Restated Profit/ (Loss) for the period/ year attributable to:</b>					
Owners of the company		1,274.02	(128.05)	(143.60)	234.79
Non-controlling interests		-	(5.31)	(0.48)	23.28
		<b>1,274.02</b>	<b>(133.36)</b>	<b>(144.08)</b>	<b>258.07</b>
<b>Restated Other Comprehensive Income / (Loss) attributable to</b>					
Owners of the company		2.86	1.44	(0.12)	(0.45)
		<b>2.86</b>	<b>1.44</b>	<b>(0.12)</b>	<b>(0.45)</b>
<b>Restated Total Comprehensive Income / (Loss) attributable to</b>					
Owners of the company		1,276.88	(126.61)	(143.72)	234.34
Non-controlling interests		-	(5.31)	(0.48)	23.28
		<b>1,276.88</b>	<b>(131.92)</b>	<b>(144.20)</b>	<b>257.62</b>
<b>Restated earnings / (Loss) per Equity Share (Face value of ₹ 1/- each)</b>	35				
- Basic (in ₹)		4.84	(0.48)	(0.56)	0.94
- Diluted (in ₹)		3.62	(0.48)	(0.56)	0.94

The accompanying notes are an integral part of the restated consolidated financial information

In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

**Ajay Jhawar**  
Partner  
Membership Number:223888

Place: Hyderabad  
Date: March 14, 2024

For and on behalf of the Board of Directors of  
**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**

**Surenderpal Singh Saluja**  
Chairman & Whole Time Director  
DIN: 00664597

**Chiranjeev Singh Saluja**  
Managing Director  
DIN: 00664638

**Ravella Sreenivasa Rao**  
Company Secretary  
Membership Number: A17755

**Nand Kishore Khandelwal**  
Chief Financial Officer  
Membership Number: 074967

Place: Hyderabad  
Date: March 14, 2024

Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)  
Corporate Identity Number (CIN) : U40106TG1995PLC019909  
Restated Consolidated Statement of Changes in Equity  
(All amounts in ₹ million, unless otherwise stated)

A. Share capital

Equity Share Capital

Particulars	Number of shares	Amount
<b>Equity shares of ₹ 1 each issued, subscribed and fully paid</b>		
As at April 1, 2020	24,87,83,880	248.78
Issuance of share capital during the year (Refer note 13)	7,25,000	0.73
<b>As at March 31, 2021</b>	<b>24,95,08,880</b>	<b>249.51</b>
Issuance of share capital during the year (Refer note 13)	1,39,49,454	13.95
<b>As at March 31, 2022</b>	<b>26,34,58,334</b>	<b>263.46</b>
Changes during the year	-	-
<b>As at March 31, 2023</b>	<b>26,34,58,334</b>	<b>263.46</b>
Changes during the period	-	-
<b>As at December 31, 2023</b>	<b>26,34,58,334</b>	<b>263.46</b>

B. Instruments entirely equity in nature

Compulsorily convertible debentures

Particulars	Number of debentures	Amount
As at March 31, 2021	-	-
Issuance of Compulsorily convertible debentures during the year (Refer note 14)	1,76,00,000	1,698.74
<b>As at March 31, 2022</b>	<b>1,76,00,000</b>	<b>1,698.74</b>
Changes during the year	-	-
<b>As at March 31, 2023</b>	<b>1,76,00,000</b>	<b>1,698.74</b>
Changes during the period	-	-
<b>As at December 31, 2023</b>	<b>1,76,00,000</b>	<b>1,698.74</b>

C. Other equity

Particulars	Reserves and Surplus					Other comprehensive income/ (loss) for the period/ year		Total other equity	Non controlling interest
	Retained earnings	Securities premium	Capital reserve	Share based payment	Treasury shares	Change in fair value of investment carried at fair value through other comprehensive income	Re-measurement gains /(losses) on defined benefit plans		
<b>Balance as at April 1, 2020</b>	<b>1,874.64</b>	<b>136.80</b>	<b>41.41</b>	-	-	(0.47)	0.45	<b>2,052.83</b>	<b>393.39</b>
Restated Profit for the year	234.79	-	-	-	-	-	-	234.79	23.28
Movement on account of disposal of interest in subsidiaries	-	-	(29.04)	-	-	-	-	(29.04)	(247.22)
Premium received on issue of equity shares (Refer note 15(ii))	-	13.78	-	-	-	-	-	13.78	-
Impact of demerger (Refer note 42.2)	(299.13)	-	-	-	-	-	-	(299.13)	-
Restated Other comprehensive (loss)/income for the year	-	-	-	-	-	(3.85)	3.40	(0.45)	-
Share issue expense	(1.61)	-	-	-	-	-	-	(1.61)	-
<b>Balance as at March 31, 2021</b>	<b>1,808.69</b>	<b>150.58</b>	<b>12.37</b>	-	-	<b>(4.32)</b>	<b>3.85</b>	<b>1,971.17</b>	<b>169.45</b>
Restated Loss for the year	(143.60)	-	-	-	-	-	-	(143.60)	(0.48)
Employee stock option expenses (Refer note 37)	-	-	-	2.47	-	-	-	2.47	-
Premium received on issue of equity shares (Refer note 15(ii))	-	265.15	-	-	-	-	-	265.15	-
Utilized towards issue expenses of shares and debentures	(1.16)	-	-	-	-	-	-	(1.16)	-
Restated Other comprehensive loss for the year	-	-	-	-	-	-	(0.12)	(0.12)	-
Deletion on account step acquisition	-	-	-	-	-	-	-	-	(169.45)
Movement on account of acquisition of interest in subsidiaries	-	-	-	-	-	-	-	-	93.63
Purchase of shares of ESOP trust	-	-	-	-	(109.87)	-	-	(109.87)	-
<b>Balance as at March 31, 2022</b>	<b>1,663.93</b>	<b>415.73</b>	<b>12.37</b>	<b>2.47</b>	<b>(109.87)</b>	<b>(4.32)</b>	<b>3.73</b>	<b>1,984.04</b>	<b>93.15</b>
Restated Loss for the year	(128.05)	-	-	-	-	-	-	(128.05)	(5.31)
Movement during the year (Refer note 15 (iii))	-	-	280.02	-	-	-	-	280.02	-
Movement on account of acquisition of interest in subsidiaries	-	-	-	-	-	-	-	-	42.50
Employee stock option expenses (Refer note 37)	-	-	-	12.50	-	-	-	12.50	-
Restated Other comprehensive gain for the year	-	-	-	-	-	-	1.44	1.44	-
<b>Balance as at March 31, 2023</b>	<b>1,535.88</b>	<b>415.73</b>	<b>292.39</b>	<b>14.97</b>	<b>(109.87)</b>	<b>(4.32)</b>	<b>5.17</b>	<b>2,149.95</b>	<b>130.34</b>
Restated Profit for the period	1,274.02	-	-	-	-	-	-	1,274.02	-
Employee stock option expenses (Refer note 37)	-	-	-	15.73	-	-	-	15.73	-
Restated Other comprehensive income/ (loss) for the period	-	-	-	-	-	5.53	(2.67)	2.86	-
<b>Balance as at December 31, 2023</b>	<b>2,809.90</b>	<b>415.73</b>	<b>292.39</b>	<b>30.70</b>	<b>(109.87)</b>	<b>1.21</b>	<b>2.50</b>	<b>3,442.56</b>	<b>130.34</b>

The accompanying notes are an integral part of the restated consolidated financial information

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

For and on behalf of the Board of Directors of  
Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)

Ajay Jhwar  
Partner  
Membership Number: 223888

Surenderpal Singh Saluja  
Chairman & Whole Time Director  
DIN: 00664597

Chiranjeev Singh Saluja  
Managing Director  
DIN: 00664638

Ravella Sreenivasa Rao  
Company Secretary  
Membership Number: A17755

Nand Kishore Khandelwal  
Chief Financial Officer  
Membership Number: 074967

Place: Hyderabad  
Date: March 14, 2024

Place: Hyderabad  
Date: March 14, 2024

Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)  
Corporate Identity Number (CIN) : U40106TG1995PLC019909  
Restated Consolidated Statement of Cash Flows  
(All amounts in ₹ million, unless otherwise stated)

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flow from operating activities</b>				
Profit / (Loss) before tax as per Restated Statement of Profit and Loss	1,748.05	(77.60)	(156.91)	558.19
<u>Adjustments for</u>				
Share of profit of associates	(9.87)	(12.19)	(11.75)	(6.50)
Depreciation and amortization expense	590.46	532.33	276.01	116.41
Loss/ (Profit) on sale of property, plant and equipment	0.14	(6.59)	(0.67)	(30.79)
Profit on sale of investment	(2.93)	(14.61)	(9.18)	(5.59)
Provision for doubtful debts	66.38	53.36	36.19	22.80
Provision for Corporate social responsibility expense	2.85	-	-	-
Income from government grant	(20.78)	(27.65)	(9.21)	-
Liabilities / Provisions no longer required written back	(3.69)	(41.40)	(18.19)	(3.03)
Provision for/ (write back of) warranty (net)	85.00	(24.98)	(37.31)	54.60
Net (gain)/loss on foreign exchange fluctuations (unrealised)	19.01	(29.19)	(6.45)	(25.20)
Finance costs	527.91	622.04	415.68	216.56
Unwinding of discount on retention money	16.49	17.09	14.47	-
Net gain on Financial assets measured at FVTPL (unrealised)	-	(9.94)	(6.27)	-
Dividend income	(1.07)	-	(4.27)	(21.43)
Interest income	(104.60)	(120.14)	(92.22)	(36.47)
Share based payment expense	15.73	12.50	2.47	-
Provision for impairment of investments	-	2.33	-	-
Bad debts written off	7.05	2.36	32.30	-
Rental income	(0.87)	(0.88)	(0.88)	(0.34)
Gain on early termination of lease	(0.25)	-	-	-
<b>Operating cash profit before working capital changes</b>	<b>2,935.01</b>	<b>876.84</b>	<b>423.81</b>	<b>839.21</b>
<u>Changes in working capital:</u>				
(Increase) in inventories	(1,667.07)	(4,159.27)	(1,542.87)	(53.86)
(Increase)/ Decrease in trade receivables	(1,996.63)	801.49	106.14	390.64
(Increase)/ Decrease in financial assets and other assets	(117.88)	(184.61)	407.37	547.77
Increase/ (Decrease) in trade payables	1,018.35	1,351.75	1,060.55	580.86
Increase/(Decrease) in financial liabilities and other current liabilities	(482.86)	1,780.55	(285.42)	193.15
Increase/ (Decrease) in provisions	12.41	3.45	(0.91)	8.82
<b>Cash (used in) / generated from operations</b>	<b>(298.67)</b>	<b>470.20</b>	<b>168.67</b>	<b>2,506.59</b>
Income tax paid	(95.91)	(103.35)	(119.03)	(137.81)
<b>Net cash flow (used in) / generated from operating activities (A)</b>	<b>(394.58)</b>	<b>366.85</b>	<b>49.64</b>	<b>2,368.78</b>
<b>Cash flow from investing activities</b>				
Purchases of property, plant and equipment, including intangible assets, capital work-in-progress and capital advances	(3,544.14)	(2,760.42)	(1,987.30)	(3,244.83)
Proceeds from sale of property, plant and equipment	1.12	27.59	153.42	48.18
Bank deposits (placed)/matured, net	(665.60)	67.94	132.41	(393.06)
Movement in other bank balances	(434.85)	(493.21)	(146.16)	-
Dividend income	1.07	-	4.27	21.43
Loans (given)/ repaid, net	-	(18.56)	-	-
Investments in equity instruments	-	-	(0.53)	-
Interest received	67.86	142.98	83.17	34.00
Investment in mutual funds	(1,562.47)	(507.63)	(1,837.72)	-
Proceeds from sale of mutual funds	2,082.98	491.35	1,379.93	6.00
Proceeds from sale of investments in equity instruments	-	10.33	38.32	-
Rental income	0.87	0.88	0.88	0.34
<b>Net cash flow used in investing activities (B)</b>	<b>(4,053.16)</b>	<b>(3,038.75)</b>	<b>(2,179.31)</b>	<b>(3,527.94)</b>
<b>Cash flow from financing activities</b>				
Proceeds from issue of Equity Shares	-	-	15.68	14.50
Proceeds from issue of instruments entirely equity in nature	-	-	1,760.00	-
Share issue expenses	-	-	(61.26)	-
Proceeds from issue of Compulsory convertible debentures	-	318.50	-	-
Capital infused by Non controlling interest holders	-	42.50	93.63	-
Proceeds from Long-term borrowings	3,485.51	2,024.35	971.86	-
Repayment of Long-term borrowings	(314.79)	(82.24)	(116.66)	-
Proceeds from Short-term borrowings (net)	3,294.31	841.84	225.83	1,298.62
Interest paid	(491.29)	(625.23)	(418.35)	(219.21)
Proceeds from Government Grant	-	-	318.45	-
Payment of lease liabilities	(7.93)	(3.11)	(3.06)	(2.52)
<b>Net cash flow from financing activities (C)</b>	<b>5,965.81</b>	<b>2,516.61</b>	<b>2,786.12</b>	<b>1,091.39</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,518.07</b>	<b>(155.29)</b>	<b>656.45</b>	<b>(67.77)</b>
Cash and cash equivalents at the beginning of the year	645.70	800.99	144.54	212.31
<b>Cash and cash equivalents at the end of the period/year (Refer Note 1 below)</b>	<b>2,163.77</b>	<b>645.70</b>	<b>800.99</b>	<b>144.54</b>

Notes:

1. Component of cash and cash equivalents

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash on hand	0.11	0.17	0.29	0.65
Balance with banks				
In current accounts	1,408.66	645.53	800.70	143.89
Bank deposits with original maturity of less than 3 months	755.00	-	-	-
<b>Total cash and cash equivalents</b>	<b>2,163.77</b>	<b>645.70</b>	<b>800.99</b>	<b>144.54</b>



Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)  
Corporate Identity Number (CIN) : U40106TG1995PLC019909  
Restated Consolidated Statement of Cash Flows  
(All amounts in ₹ million, unless otherwise stated)

2. Changes in liabilities arising from financing activities

Particulars
<b>Balance as on April 1, 2020</b>
Cash flows (net)
Interest expense
<b>Closing balance as on March 31, 2021</b>
Remeasurement of lease liabilities
Cash flows (net)
Interest expense
<b>Closing balance as on March 31, 2022</b>
Cash flows (net)
Interest expense
<b>Closing balance as on March 31, 2023</b>
Additions to lease liability (Refer note 40)
Cash flows (net)
Interest expense
Early termination of lease
<b>Closing balance as on December 31, 2023</b>

	Borrowings	Lease liabilities	Total
<b>Balance as on April 1, 2020</b>	<b>2,153.31</b>	<b>9.44</b>	<b>2,162.75</b>
Cash flows (net)	1,298.62	(2.52)	1,296.10
Interest expense	-	0.91	0.91
<b>Closing balance as on March 31, 2021</b>	<b>3,451.93</b>	<b>7.83</b>	<b>3,459.76</b>
Remeasurement of lease liabilities	-	1.68	1.68
Cash flows (net)	1,081.04	(3.06)	1,077.98
Interest expense	-	0.63	0.63
<b>Closing balance as on March 31, 2022</b>	<b>4,532.97</b>	<b>7.08</b>	<b>4,540.05</b>
Cash flows (net)	3,102.45	(3.11)	3,099.34
Interest expense	-	0.47	0.47
<b>Closing balance as on March 31, 2023</b>	<b>7,635.42</b>	<b>4.44</b>	<b>7,639.86</b>
Additions to lease liability (Refer note 40)	-	96.33	96.33
Cash flows (net)	6,465.03	(7.93)	6,457.10
Interest expense	-	3.03	3.03
Early termination of lease	-	(3.97)	(3.97)
<b>Closing balance as on December 31, 2023</b>	<b>14,100.45</b>	<b>91.90</b>	<b>14,192.35</b>

**For Deloitte Haskins & Sells**  
Chartered Accountants  
ICAI Firm Registration Number: 008072S

For and on behalf of the Board of Directors of  
**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**

**Ajay Jhavar**  
Partner  
Membership Number:223888

**Surenderpal Singh Saluja**  
Chairman & Whole Time Director  
DIN: 00664597

**Chiranjeev Singh Saluja**  
Managing Director  
DIN: 00664638

**Ravella Sreenivasa Rao**  
Company Secretary  
Membership Number: A17755

**Nand Kishore Khandelwal**  
Chief Financial Officer  
Membership Number: 074967

Place: Hyderabad  
Date: March 14, 2024

Place: Hyderabad  
Date: March 14, 2024

**Notes to the Restated Consolidated Financial Information– Summary of Material accounting policies, key accounting estimates and judgements**

**1 Corporate information**

Premier Energies Limited (the 'Company' / the 'Parent') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Plot No. 8/B/1 and 8/B/2, E-City, Raviryala Village, Maheshwaram Mandal, Rangareddy District, Telangana - 501359. The Group is principally engaged in the business of manufacturing and trading of solar modules, solar cells, solar accessories, and undertakes related construction/project related activities.

**2 Material Accounting Policies**

**A Basis of preparation and statement of compliance**

These restated consolidated financial information of the Group and its associates comprise of the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Consolidated Statements of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statements of Changes in Equity and the Restated Consolidated Statements of Cash Flows for the nine month period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the Summary of Material Accounting Policies and explanatory notes (collectively, the 'Restated Consolidated Financial Information').

These Restated Consolidated Financial Information have been prepared by the Management of the Group for the purpose of inclusion in the Draft Red Herring Prospectus (the "DRHP") to be filed with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited and BSE Limited in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

- (i) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations"); and
- (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended ("the Guidance Note")

These Restated Consolidated Financial Information have been compiled from:

a) the audited Special Purpose Consolidated Interim Ind AS Financial Statements of the Group and its associates as at and for the nine month period ended December 31, 2023 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Consolidated Interim Ind AS Financial Statements"), which have been approved by the Board of Directors at their meeting held on March 14, 2024.

b) the audited Consolidated Ind AS Financial Statements of the Group and its associates as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with the Ind AS specified 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 meeting held on September 29, 2023, December 22, 2022 and December 21, 2021 respectively.

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of Special Purpose Consolidated Interim Ind AS Financial Statements.

The Restated Consolidated Financial Information:

a) 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, 2023, March 31, 2022 and March 31, 2021, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2023;

b) do not require any adjustment for modification as there is no modification in the underlying audit report. There is an item relating to emphasis of matter (refer subsequent paragraph), which do not require any adjustment to the Restated Consolidated Financial Information;

The auditor's report dated December 21, 2021 on the Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2021 includes the following emphasis of matter paragraph: (as refer note 29 to the Restated Consolidated Financial Information)

"We draw attention to Note 26 of the consolidated Ind AS financial statements wherein certain non-compliances with ESI and PF Acts have been reported with respect to a subsidiary audited by other auditor. The auditors of such a subsidiary company have reported an Emphasis of Matter in this regard in their report of the said subsidiary company.

Our opinion is not modified in respect of above matter."

**B Functional and presentation currency**

All amounts have been presented in millions unless otherwise stated. Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the "functional currency"). The Restated Consolidated Financial Information are presented in Indian Rupee, the national currency of India, which is the functional currency of the Parent Company.

## **C Principles of Consolidation**

### **Subsidiary**

The Restated Consolidated Financial Information comprise the financial statements of the Parent and its subsidiaries for the nine month period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Any gain/loss on acquisition or disposal of subsidiary are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

The Group combines the restated financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

### **Associates:**

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The Restated Consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee.

**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**  
**Corporate Identity Number (CIN) : U40106TG1995PLC019909**  
**Notes to Restated Consolidated Financial Information**

The Group has following investments in subsidiaries and associates:

Name of the Company	Country of incorporation	Relationship	Ownership interest December 31, 2023	Ownership interest March 31, 2023	Ownership interest March 31, 2022	Ownership interest March 31, 2021
Premier Energies Photovoltaic Private Limited	India	Subsidiary	100%	100%	100%	100%
Premier Solar Powertech Private Limited (refer note i)	India	Subsidiary	100%	100%	100%	51%
Premier Photovoltaic Gajwel Private Limited	India	Subsidiary	100%	100%	100%	100%
Premier Photovoltaic Zaheerabad Private Limited	India	Subsidiary	100%	100%	100%	100%
Premier Energies Global Environment Private Limited (refer note ii)	India	Subsidiary	100%	100%	100%	-
Premier Energies International Private Limited (refer note iii)	India	Subsidiary	74%	74%	74%	-
IBD Solar Powertech (Pvt). LTD (refer note iv)	Bangladesh	Subsidiary	100%	100%	100%	100%
Premier Energies Photovoltaic LLC (refer note v)	USA	Subsidiary	100%	100%	-	-
Mavyatho Ventures Private Limited	India	Associate	30%	30%	30%	30%
Brightstone developers Private Limited	India	Associate	28%	28%	28%	18%
Premier Lords Private Limited	India	Associate	-	-	-	20%

i) During the year ended March 31, 2022, the company has entered into share swap transaction with Rama Moola to acquire 88,200 shares of Premier Solar Powertech Private Limited (PSPT) in exchange of 76,77,120 shares of the Company.

ii) During the year ended March 31, 2022, the Company had incorporated a wholly-owned subsidiary, Premier Energies Global Environment Private Limited in India.

iii) During the year ended March 31, 2022, the company has acquired 74% stake in Premier Energies International Private Limited. The company has utilized the funds received through issue of Compulsory Convertible Debentures to South Asia Growth Fund II Holdings LLC.

iv) During the period ended December 31, 2023, the Parent has passed the resolution dated September 06, 2022 to discontinue the operations and voluntarily windup the IBD Solar Powertech (Pvt). LTD by way of strike off of name from the Office of Registrar of Joint Stock Companies and Firms under the Companies Act, 1994, Bangladesh. The application has been filed on October 10, 2023 and pending with relevant authorities for final order.

v) During the year ended March 31, 2023, the Company had incorporated a wholly-owned subsidiary, Premier Energies Photovoltaic LLC in USA. The subsidiary has not started its operations as at December 31, 2023.

**D Basis of Measurement**

The Restated Consolidated Financial Information have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/ liabilities and share based payments that are measured at fair value as required by relevant Ind AS.

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii) Asset classified as held for sale

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The group classifies all other liabilities as non-current.

**E Use of estimate**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**F Critical estimates and judgements**

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

**i) Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for sharebased payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37.

**ii) Taxation**

Deferred tax, subject to the consideration of prudence, is recognised on temporary differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

**iii) Defined employee benefit plans (Gratuity)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

**iv) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**v) Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

**vi) Impairment of investments**

The Group reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**vii) Expected credit losses**

The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix.

**viii) Inventories**

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories, the Group makes an estimate of future selling prices and costs necessary to make the sale.

**3 Summary of material accounting policies**

**A Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an 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 recognised in restated consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

If an item in the financial statements of a Group are treated differently pursuant to an Order made by the Court/Tribunal, as compared to the treatment required by an Accounting Standard, the accounting treatment of a transaction as required under by the order of the court or tribunal (or other similar authority) overrides the accounting treatment that would otherwise be required to be followed in respect of the transaction and it is mandatory for the Company concerned to follow the treatment as per the order of the court/tribunal and accordingly, net gain/loss on transfer of assets pertaining demerged business of subsidiary was adjusted against retained earnings of the Company and similar accounting treatment is considered by the Group for the purpose of consolidation.

#### **B Foreign currency transactions and balances:**

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate at the reporting date. Non monetary assets and liabilities that are measured at the fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction.

#### **C Fair value measurement:**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- >> In the principal market for the asset or liability, or
- >> In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- >> Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- >> Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- >> Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## D Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### Subsequent measurement

For purposes of subsequent measurement, a 'financial asset' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- (a) the rights to receive cash flows from the asset have expired, or
- (b) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (i) the Group has transferred substantially all the risks and rewards of the asset, or
  - (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.
- (b) Trade receivables that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

- >> All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- >> Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### Investments in equity shares and preference shares of subsidiaries and associates

The group accounts for its investments in equity shares of subsidiaries and associates at cost less accumulated impairment losses (if any) in its consolidated financial statements. Investment in preference shares of subsidiaries, associates and joint ventures are also accounted at cost less accumulated impairment losses if the issuer classifies these instruments as equity instruments.

***Investments in other entities***

All Other investments are measured at fair value, with value changes recognised in statement of consolidated profit and loss, except for those investments for which the group has elected to present the value changes in "other comprehensive income". However, dividend on such equity investments are recognised in Restated Consolidated Statement of Profit and Loss when the group's right to receive payment is established.

**Financial liabilities**

***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ("FVTPL"), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

***Subsequent measurement***

The measurement of financial liabilities depends on their classification, as described below

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Restated Consolidated Statement of Profit and Loss. The Group has not designated any financial liability as at fair value through profit and loss.

***Loans and borrowings***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Restated Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Restated Consolidated Statement of Profit and Loss.

The Group enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled within twelve months. The economic substance of the transaction is determined to be financing in nature and these are recognised as current borrowings. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the suppliers is treated as a borrowings and settlement of dues to suppliers by the Group is treated as an operating cash outflow reflecting the substance of the payment. Previous year numbers have been reclassified as necessary.

***Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Restated Consolidated Statement of Profit and Loss.

**Reclassification of financial assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



**Derivative instruments**

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Restated Consolidated Statement of Profit and Loss.

Changes in the fair value of derivative contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the Restated Consolidated Statement of Profit and Loss. The changes in fair value of such derivative contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognised in the Restated Consolidated Statement of Profit and Loss.

**E Property, plant and equipment**

**i) Recognition and measurement**

Items of property, plant and equipment and investment property are measured at cost which includes capitalised borrowing cost less accumulated depreciation and accumulated impairment losses if any, except for freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

**ii) Subsequent expenditure**

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Restated Consolidated Statement of Profit and Loss for the period during which such expenses are incurred.

**iii) Depreciation**

a) Assets such as freehold land are not depreciated.

b) Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value using the straight line method and recognised in Restated Consolidated Statement of Profit and Loss. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life. The useful life of the items of Property, plant and equipment estimated by the management for the current and comparative period are in line with the useful life as per Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

**iv) Gain and loss on disposal of item of PPE**

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in Restated Consolidated Statement of Profit and Loss. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Restated Consolidated Statement of Profit and Loss, when the asset is derecognised.

**v) Residual values**

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

**F Investment Property**

Investment properties held to earn rentals or for capital appreciation or both are stated in the Restated consolidated balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Group, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. All other repairs and maintenance costs are recognised in the Restated Consolidated Statement of Profit and Loss.

Depreciation is charged on a straight line basis over their estimated useful lives. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Restated Consolidated Statement of Profit and Loss. Transfer to, or from, investment property is at the carrying amount of the property.

**G Intangible assets**

**i) Recognition and measurement**

Costs relating to software, which is acquired, are capitalised and amortised on a straight-line basis over their estimated useful lives in line with Companies Act, 2013.

**ii) Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases future economic benefits embodied in the specific asset to which it relates. All other expenditure are charged to the Restated Consolidated Statement of Profit and Loss for the period during which such expenses are incurred.

iii) Useful life and residual values are reviewed at the end of each financial year.

#### **H Inventories**

Inventories are valued at lower of cost and net realizable value. Raw Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Stores and spares are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **I Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the Restated Consolidated Statement of Profit and Loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the Restated Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### **J Employee benefits**

##### **i) Short term employee benefits**

Employee benefits payable wholly within twelve months of receiving services are classified as short-term employee benefits. These benefits include salary and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by the employees.

##### **ii) Defined contribution plans**

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The group makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The group's contributions are recognised as an expense in the Restated Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

##### **iii) Defined benefit plans**

The group's gratuity benefit scheme is a defined benefit plan. The group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of group's obligation under the plan is performed periodically by a qualified actuary using the projected unit credit method.

The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the consolidated Balance Sheet date. The group's gratuity scheme is administered by Life Insurance Corporation of India.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in the benefit that related to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately Restated Consolidated Statement of Profit and Loss. The group recognises gains or losses on the settlement of a defined benefit plan when the settlement occurs.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ("OCI") in the period in which they occur. Remeasurements are not reclassified to Restated Consolidated Statement of Profit and Loss in subsequent periods.

##### **iv) Compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize in future service periods or receive cash compensation on termination of employment. Since the employee has unconditional right to avail the leave, the benefit is classified as a short term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

#### **K Provisions, Contingent Liabilities, Contingent Assets and Commitments**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Restated Consolidated Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain.

#### **Warranty**

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

#### **L Share based payments**

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

#### **Equity settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

#### **M Cash and cash equivalents**

Cash and cash equivalents in the consolidated restated 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 an insignificant risk of changes in value.

#### **N Cash flow statement**

Consolidated cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The consolidated cash flows from operating, investing and financing activities of the Group are segregated..

Certain arrangements entered with financiers have been classified as borrowings by the Group. The Group presents cash outflows to settle the liability arising from financing activities in its statement of cash flows.

#### **O Revenue Recognition**

Revenue from contracts with customers is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. When a performance obligation is satisfied, the revenue is measured at the transaction price which is consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

When another party is involved in providing goods or services to a customer, the group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e., the group is a principal) or to arrange for the other party to provide those goods or services (i.e., the group is an agent). When the group considers itself as a principal and satisfies its performance obligation in a given arrangement, the group recognises revenue in the gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. When the group considers itself as an agent and satisfies its performance obligation in a given arrangement, the group recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services. The group's fee or commission is the net amount of consideration that the group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

The Group derives revenues primarily from sale of solar modules, solar cells, solar accessories and Construction/project related activity.

The following is summary of material accounting policies relating to revenue recognition:

#### **Revenue from sale of goods**

The Group recognises revenue for supply of goods to customers against orders received. The majority of contracts that Group enters into relate to sales orders containing single performance obligations for the delivery of solar modules, solar cells, solar accessories and silicon wafers as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement

Revenue from sale of power is recognised net of cash discount, rebate, etc. when the power is supplied as it best depicts the value to the customer and complete satisfaction of performance obligation.

#### **Revenue from construction/project related activity**

Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the amount of consideration to which the group expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party and is adjusted for variable considerations.

#### **Contract balances**

##### **(i) Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount 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.

##### **(ii) Trade receivables**

A receivable represents the group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### **(ii) Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to 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 recognized for the earned consideration that is conditional.

#### **Interest income**

For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the Restated Consolidated Statement of Profit and Loss.

#### **Dividends**

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### **P Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they intend to compensate and are presented as other income.

Government grants relating to assets which is received subsequent to purchase of asset is treated as deferred income under non-current liabilities and credited to statement of profit or loss on straight-line basis over the expected remaining useful life of the related assets under other income. Grants received in the form of rebate or exemptions or deferment of certain duties at time of purchase of asset is presented as a reduction to the carrying amount of the related asset. In case of non-monetary grant, the fair value of the non-monetary asset is assessed and both grant and asset are accounted for at that fair value.

Export incentives under various schemes are recognized as income when the right to receive such entitlements/ credit as per the terms of the respective schemes is established and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

#### **Q Leases**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. 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 determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### **Group as a lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use (ROU) assets are amortised from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### **Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## **R Income tax**

#### **Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income ("OCI") or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

#### **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 under Income-tax Act, 1961.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

## **S Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **T Treasury shares**

The Group has created an Employee Welfare Trust – PEL ESOP Trust ("Trust") for implementation of the schemes that are notified or may be notified from time to time by the Parent under the plan, providing share based payment to its employees. The Trust purchases shares of the Parent out of funds borrowed from the Parent. The Parent treats the Trust as its extension and shares held by the Trust are treated as treasury shares. Own equity instruments (treasury shares) are recognised at cost and deducted from equity. Profit on sale of treasury shares by the Trust is recognised in Share based payment reserve.

**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**

**Corporate Identity Number (CIN) : U40106TG1995PLC019909**

**Notes to Restated Consolidated Financial Information**

**U Earnings per share**

**(i) Basic earnings per share**

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders 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.

**(ii) Diluted earnings per share**

Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

**V Non-current assets held for sale**

Non-Current assets are classified as held for sale if their carrying amount will be recovered principally through continuous use and sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less cost to sell. Non-Current assets are not depreciated or amortised while they are classified as held for sale. Non-Current assets classified as held for sale are presented separately from other assets in the balance sheet as net of liabilities of a disposal group classified as held for sale.

**W Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

**Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group has evaluated and the amendment and there is no impact on its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)  
Corporate Identity Number (CIN) : U40106TG1995PLC019909  
Notes to Restated Consolidated Financial Information  
(All amounts in ₹ million, unless otherwise stated)

4.1 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computer	Office Equipments	Total Property, Plant & Equipment
<b>Gross carrying value</b>								
<b>As at April 1, 2020</b>	<b>687.77</b>	<b>84.03</b>	<b>704.58</b>	<b>18.08</b>	<b>47.19</b>	<b>16.37</b>	<b>0.98</b>	<b>1,559.00</b>
Additions	28.57	500.17	2,572.36	11.21	6.46	5.90	0.15	3,124.82
Disposals	(25.87)	(15.60)	(56.79)	(4.40)	(1.35)	-	-	(104.01)
<b>As at March 31, 2021</b>	<b>690.47</b>	<b>568.60</b>	<b>3,220.15</b>	<b>24.89</b>	<b>52.30</b>	<b>22.27</b>	<b>1.13</b>	<b>4,579.81</b>
Additions	31.81	221.25	527.43	10.02	2.10	6.34	11.09	810.04
Disposals	-	(17.44)	(1.14)	(1.31)	(11.87)	(3.93)	-	(35.69)
<b>As at March 31, 2022</b>	<b>722.28</b>	<b>772.41</b>	<b>3,746.44</b>	<b>33.60</b>	<b>42.53</b>	<b>24.68</b>	<b>12.22</b>	<b>5,354.16</b>
Additions	426.98	2.03	1,206.81	7.21	5.21	2.76	0.06	1,651.06
Disposals	-	-	(13.40)	-	(0.73)	(0.04)	-	(14.17)
<b>As at March 31, 2023</b>	<b>1,149.26</b>	<b>774.44</b>	<b>4,939.85</b>	<b>40.81</b>	<b>47.01</b>	<b>27.40</b>	<b>12.28</b>	<b>6,991.05</b>
Additions	-	1,325.55	5,081.53	6.89	-	16.20	0.23	6,430.40
Disposals	-	-	(0.33)	-	(3.80)	-	-	(4.13)
<b>As at December 31, 2023</b>	<b>1,149.26</b>	<b>2,099.99</b>	<b>10,021.05</b>	<b>47.70</b>	<b>43.21</b>	<b>43.60</b>	<b>12.51</b>	<b>13,417.32</b>
<b>Accumulated depreciation</b>								
<b>As at April 1, 2020</b>	-	<b>16.34</b>	<b>248.42</b>	<b>7.06</b>	<b>20.64</b>	<b>9.84</b>	<b>0.49</b>	<b>302.79</b>
Depreciation for the year	-	6.36	97.01	1.87	4.73	3.23	0.14	113.34
Disposals	-	(0.15)	(31.82)	(0.01)	(0.47)	-	-	(32.45)
<b>As at March 31, 2021</b>	-	<b>22.55</b>	<b>313.61</b>	<b>8.92</b>	<b>24.90</b>	<b>13.07</b>	<b>0.63</b>	<b>383.68</b>
<b>As at 1 April 2021</b>	-	<b>22.55</b>	<b>313.61</b>	<b>8.92</b>	<b>24.90</b>	<b>13.07</b>	<b>0.63</b>	<b>383.68</b>
Depreciation for the year	-	24.21	234.70	2.46	3.75	4.23	1.60	270.95
Disposals	-	(0.30)	(0.58)	(1.19)	(9.15)	(3.73)	-	(14.95)
<b>As at March 31, 2022</b>	-	<b>46.46</b>	<b>547.73</b>	<b>10.19</b>	<b>19.50</b>	<b>13.57</b>	<b>2.23</b>	<b>639.68</b>
<b>As at 1 April 2022</b>	-	<b>46.46</b>	<b>547.73</b>	<b>10.19</b>	<b>19.50</b>	<b>13.57</b>	<b>2.23</b>	<b>639.68</b>
Depreciation for the year	-	23.74	485.84	3.31	4.98	5.42	2.25	525.54
Disposals	-	-	(10.06)	-	(0.21)	(0.04)	-	(10.31)
<b>As at March 31, 2023</b>	-	<b>70.20</b>	<b>1,023.51</b>	<b>13.50</b>	<b>24.27</b>	<b>18.95</b>	<b>4.48</b>	<b>1,154.91</b>
<b>As at 1 April 2023</b>	-	<b>70.20</b>	<b>1,023.51</b>	<b>13.50</b>	<b>24.27</b>	<b>18.95</b>	<b>4.48</b>	<b>1,154.91</b>
Depreciation for the period	-	24.87	540.04	2.91	3.91	3.87	1.68	577.28
Disposals	-	-	(0.06)	-	(2.81)	-	-	(2.87)
<b>As at December 31, 2023</b>	-	<b>95.07</b>	<b>1,563.49</b>	<b>16.41</b>	<b>25.37</b>	<b>22.82</b>	<b>6.16</b>	<b>1,729.32</b>
<b>Net carrying value</b>								
<b>As at December 31, 2023</b>	<b>1,149.26</b>	<b>2,004.92</b>	<b>8,457.56</b>	<b>31.29</b>	<b>17.84</b>	<b>20.78</b>	<b>6.35</b>	<b>11,688.00</b>
<b>As at March 31, 2023</b>	<b>1,149.26</b>	<b>704.24</b>	<b>3,916.34</b>	<b>27.31</b>	<b>22.74</b>	<b>8.45</b>	<b>7.80</b>	<b>5,836.14</b>
<b>As at March 31, 2022</b>	<b>722.28</b>	<b>725.95</b>	<b>3,198.71</b>	<b>23.41</b>	<b>23.03</b>	<b>11.11</b>	<b>9.99</b>	<b>4,714.48</b>
<b>As at March 31, 2021</b>	<b>690.47</b>	<b>546.05</b>	<b>2,906.54</b>	<b>15.97</b>	<b>27.40</b>	<b>9.20</b>	<b>0.50</b>	<b>4,196.13</b>

Notes :

(1) As at December 31, 2023 Property, plant and equipment (other than vehicles) with a carrying amount of ₹11,670.16 (March 31, 2023: ₹ 5,813.40, March 31, 2022: ₹ 4,691.75, March 31, 2021: ₹ 4,168.73) are subject to a pari passu first charge on the Group's term loans & current borrowings. (Refer note 16.1)

(2) The Group has not revalued its Property, plant & equipment during the financial year beginning from April 01, 2020 till financial period ending December 31, 2023.

(3) Additions to property plant and equipment during the period ended December 31, 2023 is net of ₹ 287.56 (March 31, 2023: ₹ Nil, March 31, 2022: ₹ Nil, March 31, 2021: ₹ Nil) being grant received towards customs duty for capital goods imported under Manufacturing and other operation in Warehouse regulation (MOOWR) scheme.

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4.2 Right of use asset

Particulars	Building	Total
<b>Gross Carrying Value (At cost)</b>		
<b>As at April 1, 2020</b>	14.60	14.60
Additions	-	-
<b>As at March 31, 2021</b>	<b>14.60</b>	<b>14.60</b>
Additions	0.42	0.42
<b>As at March 31, 2022</b>	<b>15.02</b>	<b>15.02</b>
Additions	-	-
<b>As at March 31, 2023</b>	<b>15.02</b>	<b>15.02</b>
Additions	99.81	99.81
Disposals	(15.02)	(15.02)
<b>As at December 31, 2023</b>	<b>99.81</b>	<b>99.81</b>
<b>Accumulated amortisation</b>		
<b>As at April 1, 2020</b>	2.51	2.51
Amortisation for the year	2.73	2.73
<b>As at March 31, 2021</b>	<b>5.24</b>	<b>5.24</b>
Amortisation for the year	2.62	2.62
<b>As at March 31, 2022</b>	<b>7.86</b>	<b>7.86</b>
Amortisation for the year	2.96	2.96
<b>As at March 31, 2023</b>	<b>10.82</b>	<b>10.82</b>
Amortisation for the period	8.29	8.29
Disposals	(11.31)	(11.31)
<b>As at December 31, 2023</b>	<b>7.80</b>	<b>7.80</b>
<b>Net carrying value</b>		
<b>As at December 31, 2023</b>	<b>92.01</b>	<b>92.01</b>
<b>As at March 31, 2023</b>	<b>4.20</b>	<b>4.20</b>
<b>As at March 31, 2022</b>	<b>7.16</b>	<b>7.16</b>
<b>As at March 31, 2021</b>	<b>9.36</b>	<b>9.36</b>

Refer note 40 for detailed disclosure



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4.3 Capital work in progress (CWIP)

**Ageing for the period ended December 31, 2023**

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	402.03	-	-	-	402.03
	<b>402.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>402.03</b>

**Ageing for the year ended March 31, 2023**

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	3,236.91	256.35	-	-	3,493.26
	<b>3,236.91</b>	<b>256.35</b>	<b>-</b>	<b>-</b>	<b>3,493.26</b>

**Ageing for the year ended March 31, 2022**

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,141.96	-	-	-	1,141.96
	<b>1,141.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,141.96</b>

**Ageing for the year ended March 31, 2021**

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	0.86	-	-	-	0.86
	<b>0.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.86</b>

**Note:**

There are no projects where activity has been suspended or completion is overdue or exceeded its cost compared with its initial plan.

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#### 4.4 Investment Property

Particulars	Land	Building	Total
<b>Gross Carrying Value (At cost)</b>			
<b>As at April 1, 2020</b>	<b>47.30</b>	<b>0.69</b>	<b>47.99</b>
Additions	-	-	-
Disposals	(0.91)	-	(0.91)
<b>As at March 31, 2021</b>	<b>46.39</b>	<b>0.69</b>	<b>47.08</b>
Additions	-	18.04	18.04
Disposals	(5.70)	-	(5.70)
<b>As at March 31, 2022</b>	<b>40.69</b>	<b>18.73</b>	<b>59.42</b>
Additions	-	-	-
Disposals	-	-	-
<b>As at March 31, 2023</b>	<b>40.69</b>	<b>18.73</b>	<b>59.42</b>
Additions	-	-	-
Disposals	-	-	-
<b>As at December 31, 2023</b>	<b>40.69</b>	<b>18.73</b>	<b>59.42</b>
<b>Accumulated Depreciation</b>			
<b>As at April 1, 2020</b>	-	0.13	<b>0.13</b>
Depreciation for the year	-	0.04	0.04
Disposals	-	-	-
<b>As at March 31, 2021</b>	-	<b>0.17</b>	<b>0.17</b>
Depreciation for the year	-	0.60	0.60
Disposals	-	-	-
<b>As at March 31, 2022</b>	-	<b>0.77</b>	<b>0.77</b>
Depreciation for the year	-	0.61	0.61
Disposals	-	-	-
<b>As at March 31, 2023</b>	-	<b>1.38</b>	<b>1.38</b>
Depreciation for the period	-	0.46	0.46
Disposals	-	-	-
<b>As at December 31, 2023</b>	-	<b>1.84</b>	<b>1.84</b>
<b>Net carrying value</b>			
<b>As at December 31, 2023</b>	<b>40.69</b>	<b>16.89</b>	<b>57.58</b>
<b>As at March 31, 2023</b>	<b>40.69</b>	<b>17.35</b>	<b>58.04</b>
<b>As at March 31, 2022</b>	<b>40.69</b>	<b>17.96</b>	<b>58.65</b>
<b>As at March 31, 2021</b>	<b>46.39</b>	<b>0.52</b>	<b>46.91</b>

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Details of the Investment properties as at the end of the reporting period are as follows

Particulars	Fair value as at December 31,2023	Fair value as at March 31, 2023	Fair value as at March 31,2022	Fair value as at March 31,2021
Land	79.95	74.35	72.27	77.98
Building	24.14	24.14	18.04	-
<b>Total</b>	<b>104.09</b>	<b>98.49</b>	<b>90.31</b>	<b>77.98</b>

Notes :

**Pledge on Investment Property:**

- 1) As at December 31,2023 Investment Property (Land at Gurgaon and Land & buildings at Balanagar) with a carrying amount of ₹ 40.89 (March 31,2023: ₹ 40.92, March 31, 2022: ₹ 40.96, March 31, 2021: ₹ 41.00) has been pledged by the group (Refer Note 16.1) under consortium arrangement to secure general banking facilities granted to the Group.
- 2) The Group has not revalued its Investment property during the financial year beginning from April 01, 2020 till financial period ending December 31, 2023.
- 3) The property rental income earned by the Group from its investment property, all of which is leased out under operating leases, for the period ended amounted to ₹ 0.87 (March 31, 2023: ₹ 0.88, March 31, 2022: ₹ 0.88, March 31, 2021: ₹ 0.34).

**4.5 Goodwill**

Particulars	Goodwill on consolidation (Refer note 42.1)	Total
<b>As at March 31, 2021</b>	-	-
Additions	-	-
Acquisition of Subsidiary (Refer note 42.1)	0.06	0.06
<b>As at March 31, 2022</b>	<b>0.06</b>	<b>0.06</b>
Additions	-	-
Disposals	-	-
<b>As at March 31, 2023</b>	<b>0.06</b>	<b>0.06</b>
Additions	-	-
Disposals	-	-
<b>As at December 31, 2023</b>	<b>0.06</b>	<b>0.06</b>
<b>Net carrying value</b>		
<b>As at December 31, 2023</b>	<b>0.06</b>	<b>0.06</b>
<b>As at March 31, 2023</b>	<b>0.06</b>	<b>0.06</b>
<b>As at March 31, 2022</b>	<b>0.06</b>	<b>0.06</b>

**Impairment testing/ assessment of goodwill:**

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of cash generating unit is less than its carrying amount based on number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units (CGU) is determined based on higher of value in use and fair value less cost to sell.

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4.6 Other intangible assets

Particulars	Computer software	Total
<b>Gross carrying value</b>		
<b>As at April 1, 2020</b>	<b>2.65</b>	<b>2.65</b>
Additions	0.61	<b>0.61</b>
<b>As at March 31, 2021</b>	<b>3.26</b>	<b>3.26</b>
Additions	4.35	<b>4.35</b>
<b>As at March 31, 2022</b>	<b>7.61</b>	<b>7.61</b>
Additions	19.15	<b>19.15</b>
Disposals	(2.59)	<b>(2.59)</b>
<b>As at March 31, 2023</b>	<b>24.17</b>	<b>24.17</b>
Additions	-	-
Disposals	-	-
<b>As at December 31, 2023</b>	<b>24.17</b>	<b>24.17</b>
<b>Accumulated amortisation</b>		
<b>As at April 1, 2020</b>	<b>0.77</b>	<b>0.77</b>
Amortisation for the year	0.30	<b>0.30</b>
Disposals	-	-
<b>As at March 31, 2021</b>	<b>1.07</b>	<b>1.07</b>
Amortisation for the year	1.84	<b>1.84</b>
Disposals	-	-
<b>As at March 31, 2022</b>	<b>2.91</b>	<b>2.91</b>
Amortisation for the year	3.22	<b>3.22</b>
Disposals	(2.59)	<b>(2.59)</b>
<b>As at March 31, 2023</b>	<b>3.54</b>	<b>3.54</b>
Amortisation for the period	4.43	<b>4.43</b>
Disposals	-	-
<b>As at December 31, 2023</b>	<b>7.97</b>	<b>7.97</b>
<b>Net carrying value</b>		
<b>As at December 31, 2023</b>	<b>16.20</b>	<b>16.20</b>
<b>As at March 31, 2023</b>	<b>20.63</b>	<b>20.63</b>
<b>As at March 31, 2022</b>	<b>4.70</b>	<b>4.70</b>
<b>As at March 31, 2021</b>	<b>2.19</b>	<b>2.19</b>

5 Financial assets

5.1 Non-current investments

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Investments in equity instrument carried at cost</b>				
<b>Associates (Including share of profits/ loss)</b>				
Brightstone Developers Private Limited (Refer note (a) below)	62.93	52.33	39.28	26.81
Mavyatho Ventures Private Limited	13.28	14.01	14.87	15.59
Premier Lords Private Limited (Refer Note (b) below)	-	-	-	0.31
<b>Total (A)</b>	<b>76.21</b>	<b>66.34</b>	<b>54.15</b>	<b>42.71</b>
<b>Investments in equity instrument (fully paid up) at FVTOCI</b>				
<b>Unquoted</b>				
Equity shares of Renovar Energy Private Limited (Refer Note (c) below)	2.43	4.66	9.30	9.30
Equity shares of AKR Construction (Solar) Private Limited (Refer Note (d) below)	9.89	0.27	0.53	-
Equity shares of Svarog Global Power Private Limited (Refer Note (e) below)	-	-	-	38.21
	<b>12.32</b>	<b>4.93</b>	<b>9.83</b>	<b>47.51</b>
Less: Aggregate provision for impairment in value of investments (Refer Note (c) below)	(2.33)	(2.33)	-	-
<b>Total (B)</b>	<b>9.99</b>	<b>2.60</b>	<b>9.83</b>	<b>47.51</b>
<b>Investments in preference shares (fully paid up)</b>				
<b>Unquoted</b>				
<b>Measured at cost</b>				
Preference shares of Renovar Energy Private Limited	1.20	1.20	1.20	1.20
<b>Total (C)</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>
<b>Total carrying amount of Investments (A+B+C)</b>	<b>87.40</b>	<b>70.14</b>	<b>65.18</b>	<b>91.42</b>
<b>Aggregate amount of quoted investments</b>	-	-	-	-
<b>Aggregate market value of quoted investments</b>	-	-	-	-
<b>Aggregate amount of unquoted investments</b>	87.40	70.14	65.18	91.42

Number of shares held in respective companies

Company Name	Nature of investment	Face value per share (₹)	As at	As at	As at	As at
			December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Brightstone Developers Private Limited	Investment in equity instruments	10	9,52,618	9,52,618	9,52,618	4,05,941
Mavyatho Ventures Private Limited	Investment in equity instruments	10	6,75,000	6,75,000	6,75,000	6,75,000
Renovar Energy Private Limited	Investment in equity instruments	10	12,619	12,619	25,288	25,288
Premier Lords Private Limited	Investment in equity instruments	10	-	-	-	20,000
AKR Construction (Solar) Private Limited	Investment in equity instruments	10	674	674	1,350	-
Svarog Global Power Private Limited	Investment in equity instruments	10	-	-	-	3,77,320
Renovar Energy Private Limited	Investment in preference shares	100	2,892	2,892	2,892	2,892

Notes

(a) During the year ended March 31, 2021, vide scheme of demerger approved by National Company Law Tribunal, Hyderabad bench, by its order dated April 16, 2021, Premier Solar Powertech Private Limited (Subsidiary of the Company / "Demerged entity") has de-merged Brightstone Developers Private Limited ("Resulting Company") with effect from April 01, 2020. Accordingly, the Resulting Company has allotted 1,071,917 equity shares to the shareholders of demerged entity in the ratio of their shareholding in the demerged entity. The Group have been allotted 546,677 equity shares in resulting company in the ratio of its shareholding in demerged entity (i.e. 51% as on effective date).

(b) During the year ended March 31, 2022, the Group sold 20,000 shares in Premier Lords Private Limited @₹ 12/- each and recognised a gain of ₹ 0.04.

(c) During the year ended March 31, 2023, the Group sold 12,669 equity shares of Renovar Energy Private Limited for a consideration of ₹ 2.09. For the balance equity shares, a provision of ₹ 2.33 is recorded based on remeasurement of financial instrument at fair value.

(d) During the year ended March 31, 2022, the Group has subscribed 1,350 shares in AKR Construction (Solar) Private Limited @₹ 395/- each. During the year ended March 31, 2023, the Group sold 676 equity shares of AKR Construction (Solar) Private Limited for a consideration of ₹ 8.24.

(e) During the year ended March 31, 2022, the Group sold 377,320 shares in Svarog Global Power Private Limited @₹ 101.48/- each and recognised a gain of ₹ 0.08.

(f) The Parent has invested into 5,00,106 equity shares of its subsidiary, Premier Energies International Private Limited with a face value of ₹ 10/- each and a premium of ₹ 234/- per share. The Parent has utilized the funds received through issue of CCD's to South Asia Growth Fund II Holdings LLC during the year ended March 31, 2022.

(g) The Parent has complied with number of layers prescribed under clause 87 of Section 2 of the Companies Act, 2013, read with the Companies (Restriction on number of layers) Rule, 2017.

5.2 Loans (non-current)

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Loans to Directors* (Refer note 43)	21.99	21.99	-	-
	<b>21.99</b>	<b>21.99</b>	-	-

\*Loans to Directors of ₹ 21.99 (March 31, 2023: ₹ 21.99, March 31, 2022: ₹ Nil, March 31, 2021: ₹ Nil, ) represents loans given to Surenderpal Singh Saluja, director of the parent. The loan is carrying interest rate of 8% per annum and is repayable at the end of 48 months as per the terms of the agreement.

5.3 Other financial assets (non-current)

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Bank deposits (due to maturity after 12 months from the reporting date)*	565.16	146.13	236.00	363.38
Earnest money deposit	179.69	44.40	51.75	67.17
Retention Money				
Considered Good	214.25	178.80	231.25	149.37
Considered doubtful	-	-	-	-
Security Deposits	93.41	28.40	12.46	13.30
Others	3.14	-	-	-
	<b>1,055.65</b>	<b>397.73</b>	<b>531.46</b>	<b>593.22</b>

\* Bank Deposits are towards margin money given for letter of credit and bank guarantees.

**6 Other non current assets**

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Capital Advances	23.35	499.01	133.29	248.99
Prepayments	65.24	57.75	74.83	89.30
Balance with government authorities	65.54	32.53	28.37	25.59
	<b>154.13</b>	<b>589.29</b>	<b>236.49</b>	<b>363.88</b>

**7 Income tax Assets**

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Income tax assets (net)	54.11	55.50	-	-
	<b>54.11</b>	<b>55.50</b>	<b>-</b>	<b>-</b>

**8 Inventories**

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Raw Material (Refer note (i))	4,499.27	4,733.79	1,549.50	426.62
Work in Progress	45.79	36.12	71.17	71.58
Finished Goods (Refer note (ii))	3,343.45	1,485.95	516.83	118.49
Stores and Spares	107.09	72.69	31.77	9.72
	<b>7,995.60</b>	<b>6,328.55</b>	<b>2,169.27</b>	<b>626.41</b>

**Notes:**

- (i) Includes stock in transit of ₹ 593.37 (March 31, 2023: ₹ 345.54, March 31, 2022: ₹ 332.13, March 31, 2021: ₹ Nil)  
(ii) Valued at lower of cost or net realisable value

**9 Financial Assets**

**9.1 Current Investments**

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Investment at FVTPL</b>				
<b>Quoted Investments</b>				
IDFC Mutual Funds - Cash Fund Growth	-	3.85	36.69	-
ICICI Prudential Mutual Funds -Liquid Fund Growth	-	22.10	169.48	-
Axis Mutual Funds - Liquid Fund Growth	-	386.73	204.49	-
SBI Mutual Funds - Liquid Fund Growth	-	104.90	71.51	-
	-	<b>517.58</b>	<b>482.17</b>	-
Aggregate amount of unquoted investments	-	-	-	-
Aggregate amount of quoted investments	-	517.58	482.17	-
Aggregate market value of quoted investments	-	517.58	482.17	-

**Details of the number of units held**

Name of the fund	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
IDFC Mutual Funds - Cash Fund Growth	-	1,424	14,532	-
ICICI Prudential Mutual Funds -Liquid Fund Growth	-	66,824	5,41,214	-
Axis Mutual Funds - Liquid Fund Growth	-	1,55,679	87,017	-
SBI Mutual Funds - Liquid Fund Growth	-	30,005	21,600	-

## 9.2 Trade receivables

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured - considered good	2,513.95	592.63	1,410.63	1,617.43
Receivable from related parties	3.86	1.98	41.19	2.57
Credit impaired	186.56	120.18	108.25	99.90
	<b>2,704.37</b>	<b>714.79</b>	<b>1,560.07</b>	<b>1,719.90</b>
Less : Loss allowance	(186.56)	(120.18)	(108.25)	(99.90)
	<b>2,517.81</b>	<b>594.61</b>	<b>1,451.82</b>	<b>1,620.00</b>

### Notes:

- (a) Trade receivables are non-interest bearing and are generally on terms of 30 –120 days.  
(b) There are no debts due from directors as at the end of the reporting period/ years.

### (c) Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash, with recourse to the Group. The Group has retained late payment and credit risk. Therefore, the Group continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as borrowing. The Group considers that the held to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

### Trade Receivables Ageing Schedule for the period ended December 31, 2023

Particulars	Outstanding for following periods from transaction date						Total
	Unbilled	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3Years	More than 3 Years	
(i) Undisputed trade receivables Considered Good	117.59	2,098.47	280.78	20.76	0.21	-	2,517.81
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables credit impaired	-	2.32	1.43	50.64	60.22	71.95	186.56
(iv) Disputed trade receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>117.59</b>	<b>2,100.79</b>	<b>282.21</b>	<b>71.40</b>	<b>60.43</b>	<b>71.95</b>	<b>2,704.37</b>

### Trade Receivables Ageing Schedule for the year ended March 31, 2023

Particulars	Outstanding for following periods from transaction date						Total
	Unbilled	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3Years	More than 3 Years	
(i) Undisputed trade receivables Considered Good	51.56	220.77	62.36	192.33	67.56	0.03	594.61
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables credit impaired	-	2.51	2.54	1.35	19.15	94.63	120.18
(iv) Disputed trade receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>51.56</b>	<b>223.28</b>	<b>64.90</b>	<b>193.68</b>	<b>86.71</b>	<b>94.66</b>	<b>714.79</b>

### Trade Receivables Ageing Schedule for the year ended March 31, 2022

Particulars	Outstanding for following periods from transaction date						Total
	Unbilled	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3Years	More than 3 Years	
(i) Undisputed trade receivables Considered Good	-	1,055.49	176.76	86.62	132.95	-	1,451.82
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables credit impaired	-	-	23.58	0.20	3.39	81.07	108.25
(iv) Disputed trade receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1,055.49</b>	<b>200.34</b>	<b>86.82</b>	<b>136.34</b>	<b>81.07</b>	<b>1,560.07</b>

### Trade Receivables Ageing Schedule for the year ended March 31, 2021

Particulars	Outstanding for following periods from transaction date						Total
	Unbilled	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3Years	More than 3 Years	
(i) Undisputed trade receivables Considered Good	-	1,121.20	124.17	277.61	44.20	52.82	1,620.00
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables credit impaired	-	36.23	0.74	1.56	22.06	39.30	99.90
(iv) Disputed trade receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1,157.43</b>	<b>124.91</b>	<b>279.17</b>	<b>66.26</b>	<b>92.12</b>	<b>1,719.90</b>

The Group has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates.

### Movement in expected credit loss allowance

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Balance at the beginning of the period/ year	120.18	108.25	99.90	143.70
Add : Impairment Loss Allowance (Refer note 32)	66.38	53.36	36.19	22.80
Less : Amounts written off	-	(41.43)	(27.84)	(66.60)
<b>Balance at the end of the period/ year</b>	<b>186.56</b>	<b>120.18</b>	<b>108.25</b>	<b>99.90</b>

**9.3 Cash and cash equivalents**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Balances with banks				
- In current accounts	1,408.66	645.53	800.70	143.89
- Bank deposits with original maturity of less than 3 months	755.00	-	-	-
Cash on hand	0.11	0.17	0.29	0.65
	<b>2,163.77</b>	<b>645.70</b>	<b>800.99</b>	<b>144.54</b>

**9.4 Bank balances other than cash and cash equivalents**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Margin money deposit*	1,369.39	1,288.99	795.78	649.62
Balances in Escrow account	354.45	-	-	-
	<b>1,723.84</b>	<b>1,288.99</b>	<b>795.78</b>	<b>649.62</b>

\*Bank deposits are towards margin money given for letter of credit and bank guarantees.

**9.5 Loans (current)**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Loans to related parties* (Refer note 43)	2.50	-	-	-
Loans to employees	7.05	3.47	2.07	3.59
Others	-	0.03	4.86	14.85
	<b>9.55</b>	<b>3.50</b>	<b>6.93</b>	<b>18.44</b>

\* The loans to related parties represents the unsecured loan given to the associate carrying on the business of operation and maintenance of solar projects for meeting its working capital requirements. The loan is repayable on demand and carries an Interest rate of 11% p.a.

**9.6 Other financial assets**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Interest accrued on bank deposits	41.04	4.30	27.14	61.05
Derivative financial instruments carried at FVTPL	-	-	14.24	6.56
Security Deposit	3.80	33.66	66.00	-
Earnest money deposit	150.95	39.67	10.39	-
Deferred corporate guarantee	2.41	2.41	-	-
Government grant receivable	24.66	-	-	-
	<b>222.86</b>	<b>80.04</b>	<b>117.77</b>	<b>67.61</b>

**10 Current Tax Assets**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Income tax receivable (net)	-	20.68	12.78	-
	<b>-</b>	<b>20.68</b>	<b>12.78</b>	<b>-</b>

**11 Other current assets**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Contract assets</b>				
Considered Good	-	50.35	130.52	527.86
Balance with government authorities	666.38	607.36	466.26	347.08
Advances to suppliers and service providers	266.93	356.13	36.84	257.48
Prepayments	121.33	63.28	133.98	30.44
Others	0.63	0.64	21.37	15.45
	<b>1,055.27</b>	<b>1,077.76</b>	<b>788.97</b>	<b>1,178.31</b>

**12 Assets classified as held for sale**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Building (Refer note (i))	-	-	17.14	-
Plant and machinery (Refer note (ii))	-	-	-	139.73
Furniture and fixtures (Refer note (ii))	-	-	-	4.39
	<b>-</b>	<b>-</b>	<b>17.14</b>	<b>144.12</b>

(i) The Group has entered into a sale agreement on June 02, 2022 ("the agreement") for sale of building located at Jubilee Hills, Hyderabad. Asset held for sale were measured at lower of carrying amount or fair value less cost to sell. The ownership of the asset is transferred before March 31, 2023.

(ii) During the year ended March 31, 2021, the Board had resolved to dispose certain Plant and machinery and furniture and fixtures. The proceeds of disposal are expected to exceed the carrying amount of the related assets. Asset held for sale were measured at lower of carrying amount or fair value less cost to sell.



13 Share capital

Equity share capital

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Authorised share capital</b>				
450,000,000 (March 31, 2023: 450,000,000, March 31, 2022: 450,000,000, March 31, 2021: 260,000,000) equity Shares of ₹ 1 each	450.00	450.00	450.00	260.00
	<b>450.00</b>	<b>450.00</b>	<b>450.00</b>	<b>260.00</b>
<b>Issued, subscribed and paid-up capital</b>				
263,458,334 (March 31, 2023: 263,458,334, March 31, 2022: 263,458,334, March 31, 2021: 249,508,880) equity shares of ₹ 1 each	263.46	263.46	263.46	249.51
	<b>263.46</b>	<b>263.46</b>	<b>263.46</b>	<b>249.51</b>

(i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period/ year:

Particulars	As at December 31, 2023		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
Number of shares at the beginning of the period/year	26,34,58,334	263.46	26,34,58,334	263.46
Issued during the period/ year	-	-	-	-
<b>Number of shares outstanding at the end of the period/ year</b>	<b>26,34,58,334</b>	<b>263.46</b>	<b>26,34,58,334</b>	<b>263.46</b>

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	Amount	No of shares	Amount
Number of shares at the beginning of the period/year	24,95,08,880	249.51	24,87,83,880	248.78
Issued during the period/ year	1,39,49,454	13.95	7,25,000	0.73
<b>Number of shares outstanding at the end of the period/ year</b>	<b>26,34,58,334</b>	<b>263.46</b>	<b>24,95,08,880</b>	<b>249.51</b>

(ii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The Company declares dividend and pays dividend in Indian rupees. Such dividend shall be proposed by the Board of Directors subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of Shares held by each shareholder holding more than 5% equity shares of the Company

Name of the shareholder	As at December 31, 2023		As at March 31, 2023	
	No of shares	% of holding	No of shares	% of holding
<b>Equity shares of ₹ 1/- each held by</b>				
Chiranjeev Singh Saluja	14,60,95,000	55.45%	14,60,95,000	55.45%
Surendra Pal Singh Saluja	7,35,24,000	27.91%	7,35,24,000	27.91%
Vivana Saluja	1,32,00,000	5.01%	1,32,00,000	5.01%

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No of shares	% of holding	No of shares	% of holding
<b>Equity shares of ₹ 1/- each held by</b>				
Chiranjeev Singh Saluja	14,60,95,000	55.45%	14,60,95,000	58.55%
Surenderpal Singh Saluja	7,35,24,000	27.91%	7,35,24,000	29.47%
Vivana Saluja	1,32,00,000	5.01%	1,32,00,000	5.29%

(iv) Equity Shares held by promoters and promoter Group

Name of the Promoter*	As at December 31, 2023			As at March 31, 2023		
	No of shares	% of Total shares	% Change During the year	No of shares	% of Total shares	% Change During the year
Chiranjeev Singh Saluja**	14,60,95,000	55.45%	-	14,60,95,000	55.45%	-
Surenderpal Singh Saluja**	7,35,24,000	27.91%	-	7,35,24,000	27.91%	-
<b>Promoters (A)</b>	<b>21,96,19,000</b>			<b>21,96,19,000</b>		
Vivana Saluja	1,32,00,000	5.01%	-	1,32,00,000	5.01%	-
Manjeet Kaur Saluja	39,92,000	1.52%	-	39,92,000	1.52%	-
Jasveen Kaur Saluja	22,05,000	0.84%	-	22,05,000	0.84%	-
Charandeep Singh Saluja	14,00,000	0.53%	-	14,00,000	0.53%	-
<b>Promoter Group (B)</b>	<b>2,07,97,000</b>			<b>2,07,97,000</b>		
<b>Total (A+B)</b>	<b>24,04,16,000</b>	<b>91.26%</b>		<b>24,04,16,000</b>	<b>91.26%</b>	

Name of the Promoter*	As at March 31, 2022			As at March 31, 2021		
	No of shares	% of Total shares	% Change During the year	No of shares	% of Total shares	% Change During the year
Chiranjeev Singh Saluja**	14,60,95,000	55.45%	-	14,60,95,000	58.55%	-
Surenderpal Singh Saluja**	7,35,24,000	27.91%	-	7,35,24,000	29.47%	-
<b>Promoters (A)</b>	<b>21,96,19,000</b>			<b>21,96,19,000</b>		
Vivana Saluja	1,32,00,000	5.01%	-	1,32,00,000	5.29%	-
Manjeet Kaur Saluja	39,92,000	1.52%	-	39,92,000	1.60%	-
Jasveen Kaur Saluja	22,05,000	0.84%	-	22,05,000	0.88%	-
Charandeep Singh Saluja	14,00,000	0.53%	-	14,00,000	0.56%	-
<b>Promoter Group (B)</b>	<b>2,07,97,000</b>			<b>2,07,97,000</b>		
<b>Total (A+B)</b>	<b>24,04,16,000</b>	<b>91.26%</b>		<b>24,04,16,000</b>	<b>96.35%</b>	

\* Promoter means promoter defined as under the Companies Act, 2013 as amended.

\*\* 38,391,820 equity shares and 12,993,680 equity shares held by Mr Chiranjeev Singh Saluja and Mr Surenderpal Singh Saluja respectively, have been pledged towards borrowings taken by the Group.

(v) During the year ended March 31, 2022, the Company had issued 11,823,170 equity shares of ₹ 1/- each, with a premium of ₹ 19/- per equity share and 2,126,284 equity shares of ₹ 1/- each, with a premium of ₹ 19.05/- per equity share.

(vi) In the period of five years immediately preceding December 31, 2023, the Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash except for the ones disclosed under note (viii) below.

(vii) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment except for ones disclosed under note (ix) below.

(viii) During the year ended March 31, 2022, the Company has entered into share swap transaction with Rama Moola to acquire 88,200 shares of Premier Solar Powertech Private Limited (PSPT) in exchange of 7,677,120 shares of the Company.

**(ix) Share-based payments**

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis scenario based method and Black Scholes model. At the end of each reporting period, apart from the non-market vesting conditions, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest.

The Group constituted the "Premier Energies Limited Employee Stock Option Plan (Plan)" to grant equity based incentives to its eligible employees. The Group has established a trust called the PEL ESOP Trust ("Trust") to implement the Plan. The Group has given advance to the Trust for purchase of the Group's shares and such advance outstanding as at December 31, 2023 is ₹ 110.07 (₹ 110.07, as at March 31, 2023 and March 31, 2022, ₹ Nil, as at March 31, 2021).

Under the plan, a maximum number of options available for grant shall be 11,000,000 will be granted to the eligible employees. All these options are planned to be settled in equity at the time of exercise at the option of the employee. These options have an exercise price of ₹ 27/- per share granted during the period ended December 31, 2023, year ended March 31, 2023 and March 31, 2022 and vests on a graded basis as follows:

**Vesting schedule**

Vesting period from the grant date	Vesting schedule
On completion of 12 months	30%
On completion of 24 months	30%
On completion of 36 months	40%

**Stock option activity under the plan was as follows:**

Movement in the options under the scheme:	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Outstanding at the beginning of the period/ year	75,60,000	1,04,62,000	-	-
Granted during the period/ year	26,71,000	2,33,000	1,06,86,000	-
Forfeited / lapsed during the period/ year	8,01,000	31,35,000	2,24,000	-
Exercised during the period/ year	-	-	-	-
<b>Outstanding at the end of the period/ year</b>	<b>94,30,000</b>	<b>75,60,000</b>	<b>1,04,62,000</b>	<b>-</b>

Refer note 37 for detailed disclosure

**14 Instruments entirely equity in nature**

**(i) Compulsorily Convertible Debentures (CCDs)**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
17,600,000 (March 31, 2023: 17,600,000, March 31, 2022: 17,600,000, March 31, 2021: Nil) Compulsorily Convertible Debentures (CCDs) of ₹ 100 each	1,698.74	1,698.74	1,760.00	-
Transaction cost during the period/ year	-	-	(61.26)	-
	<b>1,698.74</b>	<b>1,698.74</b>	<b>1,698.74</b>	<b>-</b>

**(ii) Reconciliation of the number of Compulsory convertible Debenture outstanding at the beginning and at the end of the reporting period/ year:**

Number of CCDs outstanding at the end of the period/ year	As at		As at	
	December 31, 2023		March 31, 2023	
	No of shares	Amount	No of shares	Amount
At the beginning of the period/ year	1,76,00,000	1,698.74	1,76,00,000	1,698.74
Issued during the period/ year	-	-	-	-
<b>Number of shares outstanding at the end of the period/ year</b>	<b>1,76,00,000</b>	<b>1,698.74</b>	<b>1,76,00,000</b>	<b>1,698.74</b>

Number of CCDs outstanding at the end of the year	As at		As at	
	March 31, 2022		March 31, 2021	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	-	-	-	-
Issued during the year	1,76,00,000	1,760.00	-	-
Less: Transaction cost	-	(61.26)	-	-
<b>Number of shares outstanding at the end of the year</b>	<b>1,76,00,000</b>	<b>1,698.74</b>	<b>-</b>	<b>-</b>

**(iii) Details of CCDs held by each debenture holder holding more than 5% of the compulsorily convertible debentures of the Company**

Name of the shareholder	As at		As at	
	December 31, 2023		March 31, 2023	
	No of shares	% of holding	No of shares	% of holding
<b>Compulsory Convertible Debentures of ₹ 100/- each held by South Asia Growth Fund II Holdings LLC</b>	1,74,87,360	99.36%	1,74,87,360	99.36%

Name of the shareholder	As at		As at	
	March 31, 2022		March 31, 2021	
	No of shares	% of holding	No of shares	% of holding
<b>Compulsory Convertible Debentures of ₹ 100/- each held by South Asia Growth Fund II Holdings LLC</b>	1,74,87,360	99.36%	-	-

**(iv) Terms/rights attached to Compulsorily convertible debentures**

Compulsorily Convertible Debentures treated as Instruments entirely equity in nature represents Compulsorily Convertible Debentures issued pursuant to the agreement entered into by the Company with South Asia Growth Fund II Holdings LLC and South Asia EBT Trust dated September 10, 2021 ("the agreement"). The members at their Extra Ordinary General Meeting held on December 20, 2022 have approved the amended terms of conversion as defined in para 4 of Schedule 7 "Terms of the Investor CCDs" of the Share Subscription Agreement dated September 10, 2021. Based on amended terms, these Debentures are convertible in the ratio of 5 equity shares for every 1 debenture held by the debenture holders. The holders of CCDs shall be entitled to nominate in office two directors of the Company and will be entitled to be members of such committees of the Board to whom the decision making power has been delegated by the Board. In a liquidity event, as applicable, the holder(s) of the CCDs shall have the right to be first paid in priority to any other shareholders. These debenture holders are not entitled to any other form of distribution of profits by the Company until its conversion to equity shares. There is no buyback obligation upon the Company.

15 Other Equity

Particulars	Notes	As at	As at	As at	As at
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Securities premium	(i)	415.73	415.73	415.73	150.58
Retained earnings	(ii)	2,809.90	1,535.88	1,663.93	1,808.69
Capital Reserve	(iii)	292.39	292.39	12.37	12.37
Other items of other comprehensive income	(iv)	3.71	0.85	(0.59)	(0.47)
Treasury Shares		(109.87)	(109.87)	(109.87)	-
Share based payment reserve	(v)	30.70	14.97	2.47	-
<b>Total other equity</b>		<b>3,442.56</b>	<b>2,149.95</b>	<b>1,984.04</b>	<b>1,971.17</b>

(i) Securities premium

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	415.73	415.73	150.58	136.80
Add: Additions during the period/ year	-	-	265.15	13.78
<b>Closing balance</b>	<b>415.73</b>	<b>415.73</b>	<b>415.73</b>	<b>150.58</b>

(ii) Retained Earnings

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	1,535.88	1,663.93	1,808.69	1,874.64
Add: Restated profit/(loss) for the period/ year	1,274.02	(128.05)	(143.60)	234.79
Less: Impact of demerger (Refer note 42.2)	-	-	-	(299.13)
Less: Share issue expenses	-	-	(1.16)	(1.61)
<b>Closing balance</b>	<b>2,809.90</b>	<b>1,535.88</b>	<b>1,663.93</b>	<b>1,808.69</b>

(iii) Capital reserve

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	292.39	12.37	12.37	41.41
Add: Addition during the period/ year	-	280.02	-	-
Less: Deletion during the period/ year	-	-	-	(29.04)
<b>Closing balance</b>	<b>292.39</b>	<b>292.39</b>	<b>12.37</b>	<b>12.37</b>

(iv) Other items of other comprehensive income

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	0.85	(0.59)	(0.47)	(0.02)
(Loss)/ gain on remeasurement of defined benefit liability	(2.67)	1.44	(0.12)	3.40
Gain/(loss) on fair value of investment carried at fair value through other comprehensive income	5.53	-	-	(3.85)
<b>Closing balance</b>	<b>3.71</b>	<b>0.85</b>	<b>(0.59)</b>	<b>(0.47)</b>

(v) Share based payment reserve

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	14.97	2.47	-	-
Add/ Less: Movement during the period/ year	15.73	12.50	2.47	-
<b>Closing balance</b>	<b>30.70</b>	<b>14.97</b>	<b>2.47</b>	<b>-</b>

Nature and purpose of other equity

(a) Securities premium

Amounts received on issue of shares in excess of the face value has been classified as securities premium. The utilisation of securities premium is governed by the Section 52 of the Companies Act, 2013.

(b) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Group is recognized and accumulated under the heading of retained earnings. At the end of the period/ year, the profit after tax is transferred from the statement of restated consolidated profit and loss to retained earnings.

(c) Capital reserve:

Capital reserve represents difference in transaction price and fair value of non-monetary asset acquired

(d) Other comprehensive income:

Other comprehensive income comprises actuarial gains and losses on defined benefit obligation and change in fair value of investment.

(e) Treasury Shares

Represents the outstanding number of shares, options which are yet to be exercised by the employees to whom those share options have been granted.

(f) Share based payment reserve:

The above reserve relates to share options granted by the Group to certain employees under its employee share option plan. Refer note 37 for further details.

16 Financial liabilities

16.1 Borrowings (Non current)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>				
<b>Measured at amortised cost</b>				
<b>Term loans from:</b>				
Banks (Refer Note (i) below)	13.30	26.76	49.34	87.44
Public Financial Institution (Refer Note (ii) below)	8,992.66	5,803.43	3,591.39	2,512.80
Less: Prepaid upfront fees	(39.13)	(36.07)	(7.45)	(10.19)
	<b>8,966.83</b>	<b>5,794.12</b>	<b>3,633.28</b>	<b>2,590.05</b>
<b>Unsecured</b>				
<b>Measured at amortised cost</b>				
8.5% Compulsorily Convertible Debentures [Refer Note (iii) below]	318.50	318.50	-	-
<b>Current maturities of non-current borrowings</b>				
Term loan from Banks	(10.07)	(13.48)	(16.73)	(19.73)
Term loan from Public Financial Institution	(776.18)	(401.03)	(293.85)	(102.83)
<b>Amount disclosed under the head "current borrowings"</b>	<b>(786.25)</b>	<b>(414.52)</b>	<b>(310.57)</b>	<b>(122.55)</b>
<b>Total</b>	<b>8,499.08</b>	<b>5,698.10</b>	<b>3,322.71</b>	<b>2,467.50</b>

(i) - The details of Indian rupee term loans from banks are as under :

Name of the bank	No of Instalments	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	Effective interest rate p.a.
Axis Bank Limited	48 Equated Monthly Instalments	-	-	-	61.87	10.51%
Secured by the hypothecation of assets financed and personal guarantee of Chiranjeev Singh Saluja						
ICICI Bank Limited	36 Equated Monthly Instalments	-	4.60	15.83	17.58	8.10%
This facility rank second charge with the existing facility in terms of cash flows and shall be secured by (i) extension of second ranking charge over all existing securities (including mortgage) created in favour of ICICI Bank						
State Bank of India	36 Equated Monthly Instalments	12.50	19.74	29.00	-	7.95%
Extension of charge over the existing Primary and collateral securities including mortgages created in favour of the Bank ( in case of multiple banking / consortium, the security charge will be on pari passu basis)						
Vehicle loans from various Banks	48 to 68 Equated Monthly Instalments	0.80	2.42	4.51	7.99	8.10% to 10.50%
Vehicle Loans from various banks/financial institutions are secured by the hypothecation of specific assets purchased from those loans						
		<b>13.30</b>	<b>26.76</b>	<b>49.34</b>	<b>87.44</b>	

(ii) Loans from Public Financial Institution - Indian Renewable Energy Development Agency

Charge details	Project No.	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	Effective interest rate p.a.	No of Instalments
First charge by way of hypothecation of all movable and immovable assets pertaining to Solar Module Manufacturing Plant of ~1,033 Mwp at E-City Maheshwaram Taluk, and elsewhere both present and future and guaranteed by Chiranjeev Singh Saluja, Managing Director and Corporate Guarantee of the Parent for the tenure of the loan	2606	3,746.60	1,480.00	-	-	9.25%	38 equated quarterly instalments
	2607	1,177.76	750.00	-	-	9.45%	38 equated quarterly instalments
First charge by way of mortgage of all the immovable assets pertaining to the project including project land, hypothecation of movable assets pertaining to the project, both existing and future, subject to prior charge of working capital lenders on current assets.	2759	796.00	-	-	-	9.50%	34 equated quarterly instalments
First charge by way of hypothecation of all movable and immovable assets pertaining to Solar Module Manufacturing Plant of ~500 Mwp at E-City Maheshwaram Taluk, and elsewhere both present and future and guaranteed by Chiranjeev Singh Saluja, Managing Director and Corporate Guarantee of the Parent for the tenure of the loan	2385	432.96	488.03	561.44	561.60	9.25%	34 equated quarterly instalments
	2450	1,507.78	1,615.61	1,687.50	1,592.20	9.25%	38 equated quarterly instalments
	2450-1	947.11	1,014.84	952.40	-	9.26%	38 equated quarterly instalments
First charge of immovable properties pertaining to Solar Module manufacturing facility, situated at Annaram and hypothecation of all movable assets, both existing and future.	2204	64.33	82.54	106.81	129.79	10.10%	32 equated quarterly instalments
	1943	-	-	18.02	36.04	9.50%	40 equated quarterly instalments
First charge by way of hypothecation of movable assets pertaining to the project, both existing and future, subject to prior charge of working capital lenders on current assets and guaranteed by Surenderpal Singh Saluja, Chairman & Whole-time Director, Chiranjeev Singh Saluja, Managing Director and Corporate Guarantee of the Parent for the tenure of the loan	2649	170.00	170.00	-	-	8.90%	40 equated quarterly instalments
First charge of Company immovable properties situated in Jharkhand	1943D	-	2.68	2.68	2.68	9.50%	2 equated quarterly instalments
First charge of immovable assets by way of deposit of title deeds. Hypothecation of movable assets, both existing and future of Company and guaranteed by Chiranjeev Singh Saluja, Managing Director for the tenure of the loan	2321	21.84	25.00	29.21	33.42	9.25%	40 equated quarterly instalments
	2321(D)	1.93	1.93	1.93	1.93	9.15%	2 equated quarterly instalments
Second Charge on securities created in main loan of IREDA by way of hypothecation /Pledge/Mortgage etc., shall continue as security for the Guaranteed Emergency Credit Line (GECL) Loan.	2385 - GECL	48.33	63.33	80.00	-	11.00%	48 equated monthly instalments
	2450-GECL	51.75	69.00	92.00	92.00	9.25%	48 equated monthly instalments
	1943 GECL	4.13	6.60	9.91	9.91	9.40%	36 equated monthly instalments
	2204 GECL	12.17	19.47	29.20	29.20	10.00%	36 equated monthly instalments
	2204-1	6.92	9.52	12.98	16.44	11.35%	20 equated monthly instalments
	2321 GECL	3.05	4.88	7.31	7.59	9.15%	36 equated monthly instalments
		<b>8,992.66</b>	<b>5,803.42</b>	<b>3,591.38</b>	<b>2,512.81</b>		

- Notes:**
- (i) (a) 38,391,820 equity shares and 12,993,680 equity shares held by Chiranjeev Singh Saluja, Managing Director and Surenderpal Singh Saluja, Chairman & Whole-time Director respectively, have been pledged towards borrowings taken by the Group.
- (b) Pledge on 1,102,228 equity shares and 2,550,000 Compulsorily Convertible Debentures of Premier Energies International Private Limited (a Subsidiary) till the tenure of borrowing from IREDA.
- (c) Pledge on 16,292,699 equity shares of Premier Energies Photovoltaic Private Limited (a Subsidiary) till the tenure of borrowing from IREDA.
- (d) Pledge on 493,667 equity shares of Premier Energies Global Environment Private Limited (a Subsidiary) till the tenure of borrowing from IREDA.
- (ii) Personal guarantee for the borrowings taken by the Group given by Chiranjeev Singh Saluja, Managing Director and Surenderpal Singh Saluja, Chairman & Whole-time Director amounts to ₹ 21,544.40 and ₹ 6,942.60 respectively.

**(iii) 8.5% Compulsorily Convertible Debentures:**

Subsidiary (Premier Energies International Private Limited) has issued 1,300,000 Compulsory Convertible Debentures (CCD's) of ₹ 245/- each non-controlling interest holders to fund its projects in Maheshwaram. The debentures are compulsorily convertible in to equity shares on or before 10 years based on the valuation methodology in terms of the Share Holders Agreement. Interest on the debentures will be paid at the rate 8.5% p.a.

**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**  
**Corporate Identity Number (CIN) : U40106TG1995PLC019909**  
**Notes to Restated Consolidated Financial Information**  
**(All amounts in ₹ million, unless otherwise stated)**

**19 Financial liabilities**

**19.1 Borrowings (Current)**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Current maturities of non-current borrowings	786.25	414.52	310.57	122.55
Less: Current maturity of prepaid upfront fees	(6.75)	(2.02)	(1.84)	(1.54)
<b>Total (A)</b>	<b>779.50</b>	<b>412.50</b>	<b>308.73</b>	<b>121.01</b>
<b>Secured</b>				
Cash Credit & Working Capital Demand Loan (Refer Note (i) below)	1,922.72	1,152.42	600.28	473.13
Short term loans (Refer Note (ii) below)	900.00	-	-	-
<b>Total secured borrowings (B)</b>	<b>2,822.72</b>	<b>1,152.42</b>	<b>600.28</b>	<b>473.13</b>
<b>Unsecured</b>				
Loans from banks (Refer Note (iii) below)	1,500.77	-	-	-
Loans from financial institutions (Refer Note (iii) below)	475.63	308.08	285.54	312.50
Loans from related parties (Refer Note (iv) below) & (Refer note 43)	21.08	40.45	-	15.60
Loans from directors (Refer Note (iv) below) & (Refer note 43)	1.67	23.87	15.71	62.19
<b>Total unsecured borrowings (C)</b>	<b>1,999.15</b>	<b>372.40</b>	<b>301.25</b>	<b>390.29</b>
<b>Total (A+B+C)</b>	<b>5,601.37</b>	<b>1,937.32</b>	<b>1,210.26</b>	<b>984.43</b>

**Notes:**

**(i) Details of cash credit and Working capital demand loans**

The Group has availed cash credit and Working capital demand loan facilities from various banks. These facilities are secured by first pari-passu charge against all current assets, present and future, and by second pari-passu charge on the property, plant and equipment of the Company and are guaranteed by Surenderpal Singh Saluja, Chairman & Whole-Time Director, Chiranjeev Singh Saluja, Managing Director and Corporate guarantee of the Parent. The loans are repayable on demand and carry interest rate of MCLR + spread in the range of 0.95% to 4.75% p.a.

**(ii) Details of short term loans**

Loan from Indian Renewable Energy Development Agency is secured by upfront margin money of 15% of sanction amount in form of Fixed deposit receipt, exclusive first charge by way of hypothecation on current assets pertaining to the project, extension of charge over IREDA funded module manufacturing project of the Company and personal guarantee of Chiranjeev Singh Saluja, Managing Director. The loan is repayable within one year and carry a interest rate of 12.25% p.a.

**(iii)** The unsecured loans from banks and financial institutions includes supplier financing of ₹ 475.63 (March 31, 2023: ₹ 308.08, March 31, 2022: ₹ 285.54 March 31, 2021: ₹ 312.50 carrying interest rate in the range of 8.50% to 10% per annum. These trade credits are repayable within 90 to 180 days from the date of draw down.

**(iv)** The unsecured loan from related parties and directors is repayable on demand and carries an Interest rate of 11% p.a.

#### 16.2 Lease liabilities

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Lease liabilities	91.90	4.44	7.08	7.83
Less: Current maturities of lease liabilities (Refer note 40)	(14.57)	(3.06)	(2.65)	(2.52)
<b>Total</b>	<b>77.33</b>	<b>1.38</b>	<b>4.43</b>	<b>5.31</b>

#### 17 Provisions (Non Current)

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Provision for employee benefits</b>				
Provision for Gratuity (Refer note 36)	22.82	13.84	9.28	6.60
Provision for Compensated absences	7.83	3.73	3.43	4.16
<b>Others</b>				
Provision for warranty (Refer note below)	354.92	269.92	294.89	339.12
<b>Total</b>	<b>385.57</b>	<b>287.49</b>	<b>307.60</b>	<b>349.88</b>

#### Note: Provision for Warranty

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Balance at the beginning of the period/ year	269.92	294.89	339.12	284.52
Provision recognised / Written Back (net)	85.00	(24.98)	(37.31)	54.60
Provision utilised	-	-	(6.92)	-
<b>Balance at the end of the period/ year</b>	<b>354.92</b>	<b>269.92</b>	<b>294.89</b>	<b>339.12</b>

#### 18 Other non-current liabilities

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Unearned revenue	87.49	101.94	181.97	226.69
Deferred government grant (Refer note below)	321.22	317.34	344.98	26.53
<b>Total</b>	<b>408.71</b>	<b>419.28</b>	<b>526.95</b>	<b>253.22</b>

**Note:**  
The above Government Grant of ₹ 321.22 as at December 31, 2023 (₹ 317.34, as on March 31, 2023, ₹ 344.98, as on March 31, 2022 and ₹ 26.53 as on March 31, 2021) is an incentive sanctioned under Modified Special Incentive Package Scheme (M-SIPS). The Deferred Government Grant received is in relation to purchase of Property, Plant & Equipment to install energy efficient machinery for the production of Solar PV Module & Cells. The Deferred income on government grant received will be recognised in profit or loss on a straight line basis over the useful life of the related asset. There are no unfulfilled conditions or other contingencies attaching to this grant.

#### 19.2 Lease liabilities

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Lease liabilities (Refer note 40)	14.57	3.06	2.65	2.52
<b>Total</b>	<b>14.57</b>	<b>3.06</b>	<b>2.65</b>	<b>2.52</b>

#### 19.3 Trade payables

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	108.95	142.52	207.34	83.38
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,906.70	3,836.63	2,492.08	1,539.48
<b>Total</b>	<b>5,015.65</b>	<b>3,979.15</b>	<b>2,699.42</b>	<b>1,622.86</b>

#### Trade Payables ageing schedule for the period ended December 31, 2023

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) Micro and small enterprises	108.50	0.43	0.02	-	108.95
ii) Others	4,676.09	81.07	134.52	15.02	4,906.70
iii) Disputed dues - Micro and small enterprises	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>4,784.59</b>	<b>81.50</b>	<b>134.54</b>	<b>15.02</b>	<b>5,015.65</b>

#### Trade Payables ageing schedule for the year ended March 31, 2023

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) Micro and small enterprises	142.43	0.07	0.02	-	142.52
ii) Others	3,714.02	74.13	43.88	4.60	3,836.63
iii) Disputed dues - Micro and small enterprises	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>3,856.45</b>	<b>74.20</b>	<b>43.90</b>	<b>4.60</b>	<b>3,979.15</b>

**Trade Payables ageing schedule for the year ended March 31, 2022**

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) Micro and small enterprises	183.24	23.81	0.29	-	207.34
ii) Others	2,330.25	81.38	68.16	12.29	2,492.08
iii) Disputed dues - Micro and small enterprises	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>2,513.49</b>	<b>105.19</b>	<b>68.45</b>	<b>12.29</b>	<b>2,699.42</b>

**Trade Payables ageing schedule for the year ended March 31, 2021**

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) Micro and small enterprises	83.38	-	-	-	83.38
ii) Others	1,367.14	48.97	110.81	12.56	1,539.48
iii) Disputed dues - Micro and small enterprises	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,450.52</b>	<b>48.97</b>	<b>110.81</b>	<b>12.56</b>	<b>1,622.86</b>

**Notes:**

- (i) Refer note 43 for related party disclosures  
(ii) Refer note 38 for information regarding Micro and Small Enterprises

**19.4 Other current financial liabilities**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Capital creditors	973.23	1,653.89	308.00	361.37
Interest accrued	50.20	10.98	14.56	11.26
Trade deposit	7.79	5.04	5.04	5.04
Guarantee obligation	0.53	0.71	1.01	-
Derivative financial instruments carried at FVTPL	12.09	17.52	0.16	-
Others	79.35	1.58	10.29	2.76
<b>Total</b>	<b>1,123.19</b>	<b>1,689.72</b>	<b>339.06</b>	<b>380.43</b>

**20 Other current liabilities**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Advance from customers	1,655.73	2,178.17	762.40	954.49
Statutory dues	454.23	473.63	19.66	15.22
Current maturities of deferred payment liabilities	7.89	7.97	7.97	7.97
Unearned revenue	90.45	99.79	87.63	130.40
Others	1.14	0.26	-	-
<b>Total</b>	<b>2,209.44</b>	<b>2,759.82</b>	<b>877.66</b>	<b>1,108.08</b>

**21 Provisions (Current)**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Provision for employee benefits				
Provision for Gratuity (Refer note 36)	5.06	3.52	4.45	3.61
Provision for Compensated absence	2.94	1.72	4.09	0.87
<b>Total</b>	<b>8.00</b>	<b>5.24</b>	<b>8.54</b>	<b>4.48</b>

**22 Current tax liabilities**

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Income tax liability (net)	56.79	-	-	11.18
<b>Total</b>	<b>56.79</b>	<b>-</b>	<b>-</b>	<b>11.18</b>

23 Income Tax

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>a) i) Amount recognised in statement of consolidated profit and loss</b>				
Current tax	173.43	39.95	95.04	179.65
Deferred tax charge/ (credit)	300.60	15.81	(107.87)	120.47
<b>Tax expense for the period/ year</b>	<b>474.03</b>	<b>55.76</b>	<b>(12.83)</b>	<b>300.12</b>
<b>ii) Amount recognised in other comprehensive income</b>				
Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Tax on remeasurement of defined benefit plans	(0.74)	0.44	(0.04)	1.15
Tax on gain on fair valuation of equity instruments	1.86	-	-	-
<b>Tax expense/ (credit) recognised in other comprehensive income</b>	<b>1.12</b>	<b>0.44</b>	<b>(0.04)</b>	<b>1.15</b>
<b>b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b>				
Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Accounting Restated profit/ (loss) before income tax (A)	1,748.05	(77.60)	(156.91)	558.19
Applicable tax rate (B)	25.17%	25.17%	25.17%	25.17%
<b>Computed tax expense at statutory rate (C = A*B)</b>	<b>439.95</b>	<b>(19.53)</b>	<b>(39.49)</b>	<b>140.49</b>
Expenses disallowed under Income-tax Act, 1961	1.33	8.13	8.13	188.16
Differential tax rates on subsidiaries	22.58	-	-	-
Share of profit of associates	(2.48)	(3.07)	(2.96)	(1.64)
Others	12.65	70.24	21.49	(26.89)
<b>Income tax expense reported in to the restated statement of profit and loss (D)</b>	<b>474.03</b>	<b>55.76</b>	<b>(12.83)</b>	<b>300.12</b>
<b>Effective tax rate (E=D/A)</b>	<b>27.12%</b>	<b>(71.86)%</b>	<b>8.18%</b>	<b>53.77%</b>
<b>c) Deferred tax liabilities (net)</b>				
Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>i) Deferred tax assets</b>				
<b>Opening balance</b>	<b>2.72</b>	<b>11.24</b>	<b>15.81</b>	<b>29.82</b>
Accelerated depreciation for tax purposes	-	(0.16)	0.12	-
Expenses allowable on payment basis	48.40	0.43	0.20	-
Unused tax losses and unabsorbed depreciation	163.38	-	-	-
Other items giving raise to temporary differences	52.23	(8.79)	(4.89)	(14.01)
<b>Deferred tax assets</b>	<b>266.73</b>	<b>2.72</b>	<b>11.24</b>	<b>15.81</b>
Offsetting of deferred tax (assets) with deferred tax liabilities	(197.27)	(0.23)	(0.06)	(0.14)
<b>Net deferred tax assets (i)</b>	<b>69.46</b>	<b>2.49</b>	<b>11.18</b>	<b>15.67</b>
<b>ii) Deferred tax liabilities</b>				
<b>Opening balance</b>	<b>84.06</b>	<b>76.33</b>	<b>188.81</b>	<b>81.20</b>
Accelerated depreciation for tax purposes	511.45	311.94	51.99	107.81
Expenses allowable on payment basis	-	-	(0.45)	-
Other items giving raise to temporary differences	52.42	0.36	(120.76)	(0.20)
Fair valuation of equity instruments	1.86	-	-	-
Unused tax losses	-	(304.57)	(43.26)	-
<b>Deferred tax liabilities</b>	<b>649.79</b>	<b>84.06</b>	<b>76.33</b>	<b>188.81</b>
Offsetting of deferred tax liabilities with deferred tax (assets)	(197.27)	(0.23)	(0.06)	(0.14)
<b>Net deferred tax liabilities (ii)</b>	<b>452.52</b>	<b>83.83</b>	<b>76.27</b>	<b>188.67</b>
<b>Deferred tax liabilities/ (assets) (ii-i)</b>	<b>383.06</b>	<b>81.34</b>	<b>65.09</b>	<b>173.00</b>



**Movement in deferred tax (assets) and liabilities for the period ending December 31, 2023**

Particulars	Opening balance	(Credit)/charge in statement of profit and loss	(Credit)/charge in other comprehensive income	Closing balance
Expenses allowable on payment basis	(16.44)	(47.66)	(0.74)	(64.84)
Accelerated depreciation for tax purposes	0.04	-	-	0.04
Unused tax losses/ depreciation	-	(163.38)	-	(163.38)
Other items giving raise to temporary differences	13.68	(52.23)	-	(38.55)
Property plant and equipment	552.74	511.45	-	1,064.19
Unused tax losses	(347.83)	-	-	(347.83)
Fair valuation of equity instruments	-	-	1.86	1.86
Others	(120.85)	52.42	-	(68.43)
<b>Total deferred tax liabilities</b>	<b>81.34</b>	<b>300.60</b>	<b>1.12</b>	<b>383.06</b>

**Movement in deferred tax (assets) and liabilities for the period ending March 31, 2023**

Particulars	Opening balance	(Credit)/charge in statement of profit and loss	(Credit)/charge in other comprehensive income	Closing balance
Expenses allowable on payment basis	(16.01)	(0.87)	0.44	(16.44)
Accelerated depreciation for tax purposes	(0.12)	0.16	-	0.04
Unused tax losses/ depreciation	-	-	-	-
Other items giving raise to temporary differences	4.89	8.79	-	13.68
Property plant and equipment	240.80	311.94	-	552.74
Unused tax losses	(43.26)	(304.57)	-	(347.83)
Others	(121.21)	0.36	-	(120.85)
<b>Total deferred tax liabilities</b>	<b>65.09</b>	<b>15.81</b>	<b>0.44</b>	<b>81.34</b>

**Movement in deferred tax (assets) and liabilities for the period ending March 31, 2022**

Particulars	Opening balance	(Credit)/charge in statement of profit and loss	(Credit)/charge in other comprehensive income	Closing balance
Expenses allowable on payment basis	(15.81)	(0.16)	(0.04)	(16.01)
Accelerated depreciation for tax purposes	-	(0.12)	-	(0.12)
Other items giving raise to temporary differences	-	4.89	-	4.89
Property plant and equipment	189.01	51.79	-	240.80
Unused tax losses	-	(43.26)	-	(43.26)
Others	(0.20)	(121.01)	-	(121.21)
	<b>173.00</b>	<b>(107.87)</b>	<b>(0.04)</b>	<b>65.09</b>

**Movement in deferred tax (assets) and liabilities for the period ending March 31, 2021**

Particulars	Opening balance	(Credit)/charge in statement of profit and loss	(Credit)/charge in other comprehensive income	Closing balance
Expenses allowable on payment basis	(29.82)	12.86	1.15	(15.81)
Property plant and equipment	81.20	107.81	-	189.01
Others	-	(0.20)	-	(0.20)
	<b>51.38</b>	<b>120.47</b>	<b>1.15</b>	<b>173.00</b>

#### 24 Revenue from operations

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from sale of manufactured goods				
Sale of solar cells	4,037.30	1,856.26	336.01	-
Sale of solar modules	13,651.70	9,566.51	2,843.00	3,327.67
	<b>17,689.00</b>	<b>11,422.77</b>	<b>3,179.01</b>	<b>3,327.67</b>
Income from sale of traded goods				
Sale of solar modules	653.43	549.31	-	-
Sale of solar cells	576.50	768.03	744.45	61.64
Sale of solar accessories and silicon wafers	155.42	352.38	1,634.57	756.82
	<b>1,385.35</b>	<b>1,669.72</b>	<b>2,379.02</b>	<b>818.46</b>
Revenue from power supply	29.38	42.87	40.47	39.13
Income from contracts				
Construction and project related activity	1,034.13	1,103.74	1,812.80	2,724.32
Engineering and service fees	0.49	34.70	17.41	105.00
	<b>1,034.62</b>	<b>1,138.44</b>	<b>1,830.21</b>	<b>2,829.32</b>
Other Operating Revenue				
Job work services	14.35	4.49	-	-
Sale of scrap	19.36	7.05	-	-
	<b>33.71</b>	<b>11.54</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>20,172.06</b>	<b>14,285.34</b>	<b>7,428.71</b>	<b>7,014.58</b>

#### (i) Disaggregation of revenue

The Group derives its revenue from sale of manufactured goods, sale of traded goods, construction and project related activity and other services. The revenue disclosure as above, represents the disaggregation of revenue.

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	16,727.13	14,210.38	7,360.59	6,923.92
Outside India	3,444.93	74.96	68.12	90.66
	<b>20,172.06</b>	<b>14,285.34</b>	<b>7,428.71</b>	<b>7,014.58</b>

#### (ii) Timing of revenue recognition

Timing of Revenue recognition	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Goods transferred at point in time	19,123.09	13,142.41	5,598.50	4,185.26
Goods/ services transferred over a period of time	1,048.97	1,142.93	1,830.21	2,829.32
<b>Total revenue from contract with customers</b>	<b>20,172.06</b>	<b>14,285.34</b>	<b>7,428.71</b>	<b>7,014.58</b>

#### (iii) The following table provides information about contract asset and contract liabilities from contract with customers:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>i) Contract Assets and liabilities as at beginning of the period/ year</b>				
Opening Unbilled revenue	50.35	130.52	527.86	494.86
Opening Unearned revenue	201.73	269.60	357.09	432.78
Opening Advances from customers	2,178.17	762.40	954.49	594.99
Opening Trade receivables	594.61	1,451.82	1,620.00	1,773.00
<b>ii) Revenue recognized during the period/ year from contract</b>	<b>1,034.62</b>	<b>1,138.44</b>	<b>1,830.21</b>	<b>2,829.32</b>
<b>iii) Contract Assets and liabilities as at end of the period/ year</b>				
Closing Unbilled revenue	-	50.35	130.52	527.86
Closing Unearned revenue	177.94	201.73	269.60	357.09
Closing Advances from customers	1,655.73	2,178.17	762.40	954.49
Closing Trade receivables	2,517.81	594.61	1,451.82	1,620.00

#### (iv) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue as per contract	20,172.06	14,285.34	7,428.71	7,014.58
Adjustments	-	-	-	-
<b>Revenue from contract with customers</b>	<b>20,172.06</b>	<b>14,285.34</b>	<b>7,428.71</b>	<b>7,014.58</b>

25 Other income

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Interest income on bank deposits	41.52	53.58	39.26	36.47
Unwinding of discount on deposits	57.01	11.25	12.09	2.73
Interest income on others	6.07	55.31	31.82	2.88
Profit on sale of Property, plant and equipment	-	6.59	0.67	30.79
Profit on sale of investments	2.93	14.61	9.18	1.74
Income from government grant (Refer note 18)	20.78	27.65	9.21	11.15
Rental income	0.87	0.88	0.88	0.34
Liabilities/ Provision no longer required written back (net)	3.69	66.38	55.50	57.98
Foreign Exchange gain (net)	-	-	-	29.89
Net gain on Financial assets measured at FVTPL	-	9.94	6.27	-
Dividend income	1.07	-	4.27	21.43
Bad debts recovered	-	-	39.40	97.91
Gain on early termination of leases	0.25	-	-	-
Guarantee income	0.18	0.29	0.36	0.45
Gain on loss of control	-	-	-	5.59
Miscellaneous income	21.19	100.30	32.71	48.42
<b>Total</b>	<b>155.56</b>	<b>346.78</b>	<b>241.62</b>	<b>347.77</b>

26 Cost of raw materials consumed

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Inventory of materials at the beginning of the period/ year	4,733.79	1,549.50	426.62	462.77
Add: Purchases	15,425.75	14,289.48	5,110.08	4,732.08
Less: Inventory of materials at the end of the period/ year	(4,499.27)	(4,733.79)	(1,549.50)	(426.62)
<b>Total</b>	<b>15,660.27</b>	<b>11,105.19</b>	<b>3,987.20</b>	<b>4,768.23</b>

27 Changes in inventories of finished goods and work-in-progress

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Finished goods</b>				
At the beginning of the period/ year	1,485.95	516.83	118.49	51.88
At the end of the period/ year	(3,343.45)	(1,485.95)	(516.83)	(118.49)
	<b>(1,857.50)</b>	<b>(969.12)</b>	<b>(398.34)</b>	<b>(66.61)</b>
<b>Work-in-progress</b>				
At the beginning of the period/ year	36.12	71.17	71.58	57.36
At the end of the period/ year	(45.79)	(36.12)	(71.17)	(71.58)
	<b>(9.67)</b>	<b>35.05</b>	<b>0.41</b>	<b>(14.22)</b>
<b>Total</b>	<b>(1,867.17)</b>	<b>(934.07)</b>	<b>(397.93)</b>	<b>(80.83)</b>

28 Contract execution expense

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Erection, installation & commission charges	210.03	139.73	185.95	328.97
Contract Expenses	122.81	97.23	94.31	209.92
Project spares and consumables	56.04	7.33	28.78	25.05
Others	19.69	1.80	7.08	12.98
<b>Total</b>	<b>408.57</b>	<b>246.09</b>	<b>316.12</b>	<b>576.92</b>

29 Employee benefits expense

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Salaries, wages and bonus	303.96	354.11	175.31	148.57
Contribution to provident and other funds (refer note below)	17.07	22.72	17.44	15.26
Gratuity and compensated absences expense	13.57	7.67	7.29	4.18
Share based payment expense (Refer note 37)	15.73	12.50	2.47	-
Staff welfare expenses	29.87	24.39	18.32	5.69
Directors remuneration	21.49	26.70	25.55	23.03
<b>Total</b>	<b>401.69</b>	<b>448.09</b>	<b>246.38</b>	<b>196.73</b>

For the year ended March 31, 2021: The Subsidiary Company M/S Premier Energies Photovoltaic Private Limited has reached the threshold limit for applicability of EPF in the month September 2020 and ESL in the month of January 2021 however Company had to wait for the Factory License from the authorities which has resulted in delay in EPF and ESI compliance during the FY 2020-2021. All the compliances are met after registration is received in the FY 2021-2022.

### 30 Finance costs

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on :				
on term loans	346.48	347.45	258.91	66.57
on bank overdraft and demand loans	160.53	113.81	43.41	50.56
on lease liability (net)	3.03	0.47	0.63	0.91
Unwinding of discount on retention money	16.49	17.09	14.47	-
Bank charges	213.03	202.12	110.83	88.35
Interest on Compulsorily Convertible Debentures	17.88	-	-	-
Processing charges	2.49	5.33	1.78	10.17
<b>Total</b>	<b>759.93</b>	<b>686.27</b>	<b>430.03</b>	<b>216.56</b>

Finance costs excludes ₹ 165.94 (March 31, 2023: ₹ 77.94, March 31, 2022: ₹ 46.43, March 31, 2021: ₹ 141.80) towards cost of qualifying asset

### 31 Depreciation and amortisation expenses

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment	577.28	525.54	270.95	113.34
Depreciation on Investment Property	0.46	0.61	0.60	0.04
Amortisation of intangible assets	4.43	3.22	1.84	0.30
Amortisation of Right to use assets	8.29	2.96	2.62	2.73
<b>Total</b>	<b>590.46</b>	<b>532.33</b>	<b>276.01</b>	<b>116.41</b>

### 32 Other Expenses

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	455.29	353.06	151.32	30.78
Manpower expenses	236.32	191.76	107.22	48.69
Carriage outwards	143.43	42.86	73.61	64.27
Provision for Warranty (net)	85.00	-	-	54.60
Provision for doubtful debts	66.38	53.36	36.19	22.80
Foreign exchange loss (net)	39.45	199.70	61.97	-
Legal and professional fees	33.76	44.45	48.68	56.58
Rates and taxes	23.26	26.80	37.93	22.57
Advertising expenses	36.39	7.17	-	-
Sales commission	50.51	-	-	-
Insurance	33.50	33.72	24.37	16.72
Annual maintenance charges	16.91	19.22	27.96	26.52
Repairs and maintenance	19.59	9.30	22.28	43.55
Rent	11.31	12.78	7.27	8.05
Audit fees (Refer Note (i) below)	5.65	7.31	5.50	2.04
Bad debts/ Assets written off	7.05	2.36	32.30	24.86
CSR Expenditure expense (Refer note 34)	3.44	8.20	6.86	15.86
Loss on Sale of Property, plant and equipment	0.14	-	-	-
Provision for impairment of investment	-	2.33	-	-
Miscellaneous expenses	76.87	55.40	56.41	59.07
<b>Total</b>	<b>1,344.25</b>	<b>1,069.78</b>	<b>699.87</b>	<b>496.96</b>

Note(i) : Audit Fees	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
- Statutory audit	5.25	7.00	5.50	2.04
- Other services	0.17	0.24	-	-
- Reimbursement of expenses	0.23	0.07	-	-
<b>Total</b>	<b>5.65</b>	<b>7.31</b>	<b>5.50</b>	<b>2.04</b>

### 33 Other Comprehensive income

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A Items that will not be reclassified to profit or loss</b>				
Remeasurement of (losses)/ gains on defined benefit plans	(3.41)	1.88	(0.16)	4.55
Income tax relating to items that will not be reclassified to profit or loss	0.74	(0.44)	0.04	(1.15)
<b>B Items that will be reclassified to profit or loss</b>				
Change in fair value of investment carried at fair value through other comprehensive income	7.39	-	-	(3.85)
Income tax relating to items that will be reclassified to profit or loss	(1.86)	-	-	-
<b>Total Other Comprehensive Income</b>	<b>2.86</b>	<b>1.44</b>	<b>(0.12)</b>	<b>(0.45)</b>

#### 34 Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Group and the amount needs to be spent by the Group for the year is 2% of average net profits for previous three financial years, calculated as per Section 198 of the Companies Act, 2013. The nature of CSR activities undertaken by the company includes promoting education, health care and environmental sustainability. All these activities are covered under Schedule VII to the Companies Act, 2013. The details of amount spent are:

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Amount required to be spent by the company during the period/ year	3.44	5.03	9.43	11.44
Amount of expenditure incurred	0.59	8.20	6.86	15.86
Shortfall at the end of the period/ year	2.85	-	2.57	-
Total of previous years shortfall (Refer note below)	-	-	-	-
Reason for shortfall	NA	NA	NA	NA
Nature of CSR activities	Promoting education, health care and environmental sustainability			
Details of related party transactions, e.g. Contribution to a Premier Foundation controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard	-	0.14	3.56	12.39
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	2.85	-	2.57	-

#### Note:

During the period ended December 31, 2023, the Group had spent ₹ 0.59 as against mandatory requirement of ₹ 3.44. Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shortfall of ₹ 2.85 is set off from the excess amount spent in the previous year ended March 31, 2023 in accordance with the provisions of the Act.

During the year ended March 31, 2022, the Group had spent ₹ 6.86 as against mandatory requirement of ₹ 9.43. Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shortfall of ₹ 2.57 is set off from the excess amount spent in the previous year ended March 31, 2021 in accordance with the provisions of the Act.

#### 35 Restated Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to shareholders by the weighted average number of shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into share capital.

The following table sets forth the computation of basic and diluted earnings per share:

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Restated Profit / (Loss) after tax for calculating basic earnings per share	1,274.02	(128.05)	(143.60)	234.79
Add: Interest on Compulsory Convertible Debentures	-	-	-	-
Profit / (Loss) after tax for calculating diluted earnings per share	1,274.02	(128.05)	(143.60)	234.79
Weighted average number of equity shares in computing basic earnings per share	26,34,58,334	26,34,58,334	25,66,65,507	24,92,12,716
Add: Effect of dilution	-	-	-	-
No of Compulsory Convertible Debentures (refer note below)	8,80,00,000	-	-	NA
Weighted average number of equity shares in computing diluted earnings per share	35,14,58,334	26,34,58,334	25,66,65,507	24,92,12,716
Face value of each equity share (₹)	1	1	1	1
<b>Restated Earnings per share</b>				
*Basic (₹ /share)	4.84	(0.48)	(0.56)	0.94
*Diluted (₹ /share)	3.62	(0.48)	(0.56)	0.94

#### Note:

Compulsory Convertible Debentures were issued during the year ended March 31, 2022. These are not considered for the year ended March 31, 2023 and March 31, 2022 for calculation of diluted EPS since they are anti-dilutive in nature.

36 Employee benefits

Defined benefit plan: Gratuity

The Group operates a defined benefit plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of the last drawn salary for each completed year of service. The Group has an unapproved gratuity fund which is maintained with Life insurance Corporation of India.

The following tables shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Assets and Liabilities recognised in the Consolidated Balance Sheet	27.88	17.36	13.73	10.21

Split of current and non-current portion is as follows:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Current portion	5.06	3.52	4.45	3.61
Non-current portion	22.82	13.84	9.28	6.60
(Assets) / liability recognised in the Consolidated Balance Sheet	27.88	17.36	13.73	10.21

Change in defined benefit obligations	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Projected benefit obligations at beginning of the period/ year	23.92	20.46	16.26	12.06
Current service cost	6.48	1.45	4.36	2.83
Past service cost	-	-	-	5.16
Interest cost	1.30	4.77	0.35	1.00
Expected return on planned assets	(0.02)	-	-	(0.24)
Benefits paid by the Group	(0.75)	(0.88)	(0.66)	-
Actuarial (gain)/ loss recognised in other comprehensive income	3.29	(1.88)	0.16	(4.55)
Defined benefit obligations at the end of the period/ year	34.22	23.92	20.46	16.26

Change in the fair value of Plan Assets	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening fair value of plan assets for the period/ year	6.56	6.73	6.05	6.72
Actual return on plan assets	0.36	(0.50)	(0.31)	-
Contributions	-	1.22	1.66	-
Interest income	-	-	-	0.42
Expected return on planned assets	-	-	-	(0.35)
Remeasurement - return on assets ( Excluding Interest Income)	(0.12)	-	-	-
Benefits paid	(0.46)	(0.89)	(0.67)	(0.74)
Closing fair value of plan assets for the period/ year	6.34	6.56	6.73	6.05

Expense recognised Restated Consolidated Statement of Profit and Loss	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost for the period/ year				
Current service cost	6.48	5.36	4.36	3.27
Past service cost	-	-	-	4.71
Interest cost	0.99	-	-	0.77
Benefits paid	0.32	-	-	-
Expected return on plan assets	(0.04)	1.00	(0.96)	-
Expense recognised in the Restated Consolidated Statement of Profit and Loss	7.75	6.36	3.40	8.75

Expense recognised in other comprehensive income	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement of (losses)/ gains on defined benefit plans	(3.41)	1.88	(0.16)	4.55

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Under base scenario	34.21	20.46	16.26	15.81
Salary Escalation - Up by 1%	36.39	21.59	28.51	17.51
Salary Escalation - Down by 1%	32.23	19.41	25.19	15.17
Withdrawal rates - Up by 1%	33.72	20.25	26.70	16.20
Withdrawal rates - Down by 1%	34.75	20.68	26.81	16.32
Discount rates - Up by 1%	32.13	19.39	25.17	15.16
Discount rates - Down by 1%	36.61	21.65	28.58	17.54

Assumptions

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate per annum	7.49%	7.57%	7.37%	6.89%
Expected salary increase per annum	9.17%	10.00%	10.00%	7%
Disability rate	0.00%	0.00%	0.00%	0.00%
Mortality rate	100.00%	100.00%	100.00%	100.00%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment  
The overall expected rate of return on assets is determined based on the actual rate of return during the current period/ year

Maturity profile of defined benefit obligation

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Year 1	5.15	3.54	4.45	3.61
Year 2	3.35	3.03	2.09	1.36
Year 3	3.88	3.30	2.05	1.26
Year 4	4.14	3.37	2.29	1.28
Year 5	3.97	3.68	2.19	1.36
Year 6	3.59	3.21	2.01	1.17
Year 7	3.31	2.84	1.82	1.15
Year 8	2.78	2.59	1.67	1.09
Year 9	2.77	2.35	1.64	1.03
Year 10	2.85	2.07	1.63	1.13

### 37 Share based payment

#### Premier Energies Limited Employees Stock Option Plan 2021 Scheme

The establishment of the Premier Energies Limited ESOP Scheme 2021 ('Plan' / 'ESOP 2021') was approved by the Board of Directors in the meeting held on September 04, 2021 and by the members in the Extra Ordinary General Meeting held on September 09, 2021. The plan is designed to provide incentives to the eligible employees. The ESOP scheme shall be administered by Nomination and Remuneration committee through the PEL ESOP Trust ('Trust') set up by the Group.

Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. The maximum number of options available for grant under the plan shall be 11,000,000.

Options are granted under the plan for no consideration and carry no dividend or voting rights. The options granted shall vest in a graded manner between completion of 1 year up to 3 years of service from the grant date, unless specific details are laid out by the administrator. Once vested, the options remain exercisable for a period of 7 years. The exercise price of the share underlying an option shall be ₹ 27 per share. When exercised, each option is convertible into one equity share.

The Company has issued 3,862,050 equity shares @ ₹ 20/- per equity share of ₹ 1/- face value on September 17, 2021 and 1,627,521 equity shares @ ₹ 20.05/- per equity share of ₹ 1/- face value on September 28, 2021 to the Trust for the purpose of further issuance to the employees in lieu of the stock options that shall be granted to identified employees. The said shares are treated as Treasury shares (Refer Note 15(v)).

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the award given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis scenario based method and Black Scholes model. At the end of each reporting period, apart from the non-market vesting conditions, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest.

#### Exercise period

Scheme	Grant	Number of options	Year 1 (30%)	Year 2 (30%)	Year 3 (40%)
ESOP 2021	Grant 1	1,06,86,000	February 01, 2023	February 01, 2024	February 01, 2025
ESOP 2021	Grant 2	1,83,000	October 19 2023	October 19 2024	October 19 2025
ESOP 2021	Grant 3	50,000	December 20 2023	December 20 2024	December 20 2025
ESOP 2021	Grant 4	26,71,000	November 18 2024	November 18 2025	November 18 2026

Scheme	Date of Grant	Number of options granted	Exercise price	Weighted Average Fair value of option at grant date
ESOP 2021	February 01, 2022	1,06,86,000	27.00	5.23
ESOP 2021	October 19 2022	1,83,000	27.00	7.32
ESOP 2021	December 20 2022	50,000	27.00	7.32
ESOP 2021	November 18 2023	26,71,000	27.00	63.05

#### Details of the share options outstanding during the period/ year are as follows:

Particulars	As at December 31, 2023		As at March 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the period/ year	75,60,000	27.00	1,04,62,000	27.00
Granted during the period/ year	26,71,000	27.00	2,33,000	27.00
Forfeited / lapsed during the period/ year	8,01,000	27.00	31,35,000	27.00
Exercised during the period/ year	-	-	-	-
<b>Outstanding at the end of the period/ year</b>	<b>94,30,000</b>	<b>27.00</b>	<b>75,60,000</b>	<b>27.00</b>
Exercise price of the stock options	₹ 27		₹ 27	

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	1,06,86,000	27.00	-	-
Forfeited / lapsed during the year	2,24,000	27.00	-	-
Exercised during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>1,04,62,000</b>	<b>27.00</b>	<b>-</b>	<b>-</b>
Exercise price of the stock options	₹ 27		-	

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	Grant 4	Grant 3	Grant 2	Grant 1
Weighted average cost of capital	13.21%	11.55%	11.55%	11.25%
Expected life	3 years	3 years	3 years	3 years
Risk free rate	7.47%	7.29%	7.29%	5.59%
Volatility	43%	53%	53%	60%
Dividend yield	0%	0%	0%	0%
Share price	27	27	27	27
Exercise price	27	27	27	27

The Group has recognised total expenses of ₹ 15.73 for the period ending December 31, 2023 (March 31, 2023: ₹ 12.50, March 31, 2022: ₹ 2.47, March 31, 2021: ₹ Nil) related to equity settled share based payment transactions.

### 38 Trade Payables (Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006):

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
The principal amount due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period/ year	108.95	142.52	207.34	83.38
The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day 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 day during the period/ year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period/ year; and	6.16	8.14	9.90	1.47
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-	-	-

### 39 Contingent Liabilities

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
a) Outstanding bank guarantees	2,112.60	3,884.38	155.48	161.76
b) Claims arising from disputes not acknowledged as debts – direct taxes	33.53	44.11	44.11	15.01
c) Claims arising from disputes not acknowledged as debts – indirect taxes	69.85	72.77	70.71	10.44
d) Corporate guarantee given for the borrowings taken by the Group	12,523.90	7,259.00	5,389.00	1,805.00
e) Comfourt letter given for the borrowings taken by the Group	2,435.40	229.40	-	-

f) As on December 31, 2023, the company has a contingent liability of ₹ 809.87 (March 31, 2023: ₹ 407.66, March 31, 2022: ₹ Nil, March 31, 2021: ₹ Nil ) towards customs duty and goods and services tax for capital goods imported under the manufacturing and other operation in Warehouse Regulation (MOOWR) scheme against which the company has executed and utilized bond as at December 31, 2023 amounting to ₹ 2,429.61 (March 31, 2023: ₹ 1,222.98, March 31, 2022: ₹ Nil, March 31, 2021: ₹ Nil). The firm liability towards such custom duty shall be contingent upon conditions at the time of filing ex-bond bill of entry at the time of disposal. In case, the company decides to export such capital goods, the associated costs shall not be significant. Based on the Company's assessment of use of capital goods, management expects that liability will not arise for the same.

### Capital commitments

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	138.37	12,797.48	863.04	-

### 40 Lease : Group as lessee

The Group's lease asset classes primarily consist of leases for certain office facilities under cancellable lease arrangements. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less.

The following are the changes in the carrying value of right of use assets for the period ended December 31, 2023, year ended March 31, 2023, March 31, 2022, March 31, 2021.

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Balance at the beginning of the period/ year	4.20	7.16	9.36	12.09
Additions	99.81	-	-	-
Remeasurement of Right-of-use Asset	-	-	0.42	-
Early termination of lease	(3.71)	-	-	-
Amortisation	(8.29)	(2.96)	(2.62)	(2.73)
<b>Balance at the end of the period/ year</b>	<b>92.01</b>	<b>4.20</b>	<b>7.16</b>	<b>9.36</b>

The amortisation on ROU assets is included under depreciation and amortisation expense in the restated consolidated statement of profit and loss.

The following is the movement in lease liabilities during the period ended December 31, 2023 and year ended March 31, 2023, March 31, 2022, March 2021.

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Balance at the beginning of the period/ year	4.44	7.08	7.83	9.44
Additions	96.33	-	-	-
Remeasurement of Lease Liability	-	-	1.68	-
Early termination of lease	(3.97)	-	-	-
Finance cost accrued during the period/ year	3.03	0.47	0.63	0.91
Payment of lease liabilities	(7.93)	(3.11)	(3.06)	(2.52)
<b>Balance at the end of the period/ year</b>	<b>91.90</b>	<b>4.44</b>	<b>7.08</b>	<b>7.83</b>

The following is the break-up of current and non-current lease liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021.

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Non Current Lease Liabilities	77.33	1.38	4.43	5.31
Current Lease Liabilities	14.57	3.06	2.65	2.52
<b>Total</b>	<b>91.90</b>	<b>4.44</b>	<b>7.08</b>	<b>7.83</b>

The table below provides details regarding the contractual maturities of lease liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 on discounted basis.

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Within one year	14.57	3.06	2.65	2.52
After one year but not more than five years	77.33	1.38	4.43	5.31
More than five years	-	-	-	-
<b>Total</b>	<b>91.90</b>	<b>4.44</b>	<b>7.08</b>	<b>7.83</b>

Amount recognised in statement of profit and loss account	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Amortisation of right of use assets	8.29	2.96	2.62	2.73
Interest on lease liabilities	3.03	0.47	0.63	0.91
Expenses relating to short term leases	11.31	12.78	7.27	8.05

Amount recognised in statement of cashflow	For the period ended	For the year ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total cash outflow for leases - principal	4.90	2.64	2.43	1.61
Total cash outflow for leases - interest	3.03	0.47	0.63	0.91
	<b>7.93</b>	<b>3.11</b>	<b>3.06</b>	<b>2.52</b>



#### 41 Segment Reporting

##### 41.1 Identification of Reportable Segments:

Segments are identified in line with Indian Accounting Standard (Ind AS) 108 "Operating Segments", taking into consideration the internal organisation and management structure as well as the differential risk and returns of each of the segments. Operating segments are components of the Group whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete information is available. Based on the Group's business model of vertical integration, Solar energy market have been considered as a single business segment for the purpose of making decisions on allocation of resources and assessing its performance. Hence, no separate financial disclosures provided in respect of its single business segment.

Operations of the Group are managed from different locations each of these locations are aggregated based on exchange control regulations; and the underlying currency risk. Accordingly, the following have been identified as operating and reportable segments: (a) "Within India", and (b) "Outside India". In presenting geographic information, segment revenue has been based on the location of the customer and segment assets are based on geographical location of assets.

##### (i) Break up of revenue based on geographical segment

Particulars	For the period	For the year ended	For the year ended	For the year ended
	ended December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Within India	16,727.13	14,210.38	7,360.60	6,923.92
Outside India	3,444.93	74.96	68.11	90.66
<b>Total</b>	<b>20,172.06</b>	<b>14,285.34</b>	<b>7,428.71</b>	<b>7,014.58</b>

##### (ii) The carrying amount of Non current operating assets by location of assets

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Within India	13,698.62	10,549.47	6,771.32	5,319.64
Outside India	-	-	-	-
<b>Total</b>	<b>13,698.62</b>	<b>10,549.47</b>	<b>6,771.32</b>	<b>5,319.64</b>

##### Major customers

Revenue from one customer of the Group represents 11.52% (March 31, 2023: three customers represents 40.95%, March 31, 2022: One customer represents 19.83%, March 31, 2021: two customers represents 26.88%) of the Group's total revenue.

**42 Business Combination**

**42.1 Acquisition of stake in Premier Energies International Private Limited:**

During the year ended March 31, 2022, the Parent acquired 7,400 equity shares (74% stake) of face value ₹ 10 each for a consideration of ₹ 0.07. By virtue, the parent company is able to exercise control on Premier Energies International Private Limited, the same is consolidated in these financial information in accordance with Ind AS 110 from the date of obtaining control, i.e. September 18, 2021. The principal activity of the Company is manufacturing of solar cells and modules.

Component	Fair value as on acquisition date
Non-current assets	0.01
Current assets	0.08
<b>Total Assets (i)</b>	<b>0.09</b>
Non-current Liabilities	-
Current Liabilities	0.07
<b>Total Liabilities (ii)</b>	<b>0.07</b>
Fair value of identifiable net assets (i-ii)	0.02
Goodwill	0.06
<b>Less : Non Controlling Interest</b>	<b>0.01</b>
<b>Total Purchase Price</b>	<b>0.07</b>

**42.2 Demerger of investment division of Premier Solar Powertech Private Limited**

The Hon'ble National Company Law Tribunal ("Hon'ble NCLT") vide its order dated April 16, 2021 approved the Composite Scheme of arrangement between Premier Solar Powertech Private Limited, Brightstone Developers Private Limited and their respective shareholders ("the order") to demerge the Investment division ("demerged business") of Premier Solar Powertech Private Limited to Brightstone Developers Private Limited.

As per the order, the scheme has been considered in the consolidated financial statements by transferring the carrying amounts of net assets pertaining to the demerged business with effect from the appointed date i.e. April 01, 2020. As per the accounting treatment approved in the scheme, the carrying amount of net assets amounting to ₹ 299.13, as on April 01, 2020, pertaining to demerged business of Premier Solar Powertech Private Limited transferred to Brightstone Developers Private Limited was adjusted against retained earnings of the Premier Solar Powertech Private Limited. The similar accounting treatment is followed for the purposes of consolidation.

The Group has accounted the impact of demerger into retained earnings amounting to ₹ 299.13 as per the Hon'ble NCLT order dated April 16, 2021. Had the relevant Indian Accounting standards, were followed, the impact of demerger should have been debited to the restated consolidated statement of profit and loss.

Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)

Corporate Identity Number (CIN) : U40106TG1995PLC019909

Notes to Restated Consolidated Financial Information

(All amounts in ₹ million, unless otherwise stated)

#### 43 Related Party Disclosures

##### A Ownership Interests

S No	Name	Type	Place of Incorporation	Ownership Interest			
				For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Premier Energies Photovoltaic Private Limited	Subsidiary	India	100%	100%	100%	100%
2	Premier Solar Powertech Private Limited	Subsidiary	India	100%	100%	100%	51%
3	Premier Photovoltaic Gajwel Private Limited	Subsidiary	India	100%	100%	100%	100%
4	Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	India	100%	100%	100%	100%
5	Premier Energies Global Environment Private Limited	Subsidiary	India	100%	100%	100%	-
6	Premier Energies International Private Limited	Subsidiary	India	74%	74%	74%	-
7	Premier Tirupathi Solar Private Limited (till March 18, 2021)	Subsidiary	India	-	-	-	-
8	Premier Energies Photovoltaic LLC	Subsidiary	USA	100%	100%	-	-
9	IBD Solar Powertech (Pvt). LTD	Subsidiary	Bangladesh	100%	100%	100%	100%
10	Mavyatho Ventures Private Limited	Associate	India	30%	30%	30%	30%
11	Brightstone developers Private Limited	Associate	India	28.01%	28.01%	28.01%	17.57%
12	Premier Lords Private Limited (till August 13, 2021)	Associate	India	-	-	-	20.00%
13	Renovar Energy Private Limited	Invested in Equity Instruments	India	6.75%	6.75%	13.50%	13.50%
14	PEL ESOP Trust	Trust promoted by the company	India	-	-	-	-
15	Premier Foundation	Trust promoted by the company	India	-	-	-	-

##### B Key Management Personnel (KMP)

S No	Name	Relation
1	Surender Pal Singh Saluja	Chairman & Whole Time Director
2	Chiranjeev Singh Saluja	Managing Director
3	Abhishek Loonker	Nominee Director
4	Sridhar Narayan	Nominee Director
5	Rohan Mehta	Independent Director
6	Uday Sudhir Pilani	Independent Director
7	Priyanka Gulati	Independent Director (w.e.f. March 12, 2024)
8	Jasbir Singh Gujral	Independent Director (w.e.f. March 12, 2024)
9	Ragunathan Kannan	Independent Director (w.e.f. March 12, 2024)
10	Revathi Rohini Buragadda	Chief Financial Officer (till March 29, 2021), Director
11	Jasveen Kaur Saluja	Director (till February 16, 2024)
12	Sudhir Moola	Director
13	Mohan Preet Singh Khurana	Director
14	Priyadarshan Sureshchandra Bhatwara	Chief Financial Officer (w.e.f. March 29, 2021 to March 31, 2023)
15	Nandkishore Khandelwal	Chief Financial Officer (w.e.f. September 1, 2023)
16	Sreenivasa Rao Ravella	Company Secretary (w.e.f. March 24, 2022)
17	Shruti Walia	Company Secretary (w.e.f. September 16, 2021 to March 25, 2022)
18	Shantipriya Ramesh Kalkur	Company Secretary (till September 15, 2021)

##### C Enterprises over which Key Management Personnel exercise significant influence

Svarog Global Power Private Limited  
Vensol (Nirna) Energy Private Limited  
Vinsol (Hubli) Energy Private Limited  
Vensol (Bidar) Energy Private Limited  
Premier Kurnool Solar Private Limited  
Renovar Energy Private Limited  
AKR Construction (Solar) Private Limited  
Saimeg Infrastructure Private Limited  
Benten Developers Private Limited  
Watertech Engineers  
Premier e-sol Technologies  
Premier Lords Private Limited (w.e.f. August 13, 2021)  
Niyathi Madasu Advisory Inc.

##### D Entities under common Key Management Personnel (KMP) or their relatives

Rainbow Associates  
K V R Constructions  
Primepack Supports Private Limited  
Niyathi Madasu Advisory Inc.

##### E Relatives of Key Management Personnel

S No	Name	Relation
1	Manjit Kaur	Spouse of Mr. Surenderpal Singh Saluja
2	Vivana Saluja	Spouse of Mr. Chiranjeev Singh Saluja
3	Charandeep Saluja	Spouse of Mrs. Jasveen Kaur Saluja
4	Ramesh Naidu	Spouse of Mrs. Revathi Rohini Buragadda
5	Niyathi Naidu	Daughter of Mrs. Revathi Rohini Buragadda
6	Kuldip Singh Saluja	Brother of Mr. Surenderpal Singh Saluja
7	Bipindeep Singh Saluja	Relative of Promoter Director
8	Visannya Saluja	Relative of Promoter Director
9	Krishannk Saluja	Relative of Promoter Director
10	Charanjeet Chowdhary	Relative of Promoter Director

43 Related Party Disclosures

F (i) Related Party Transactions

Description	Name of the Party	Nature of the relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Goods	Premier e-sol Technologies	Enterprise over which Key Management personnel exercise significant influence	-	-	-	28.15
	Premier Lords Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	13.33	27.93
	PCS Premier Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	3.49	-
	Watertech Engineers	Enterprise over which Key Management personnel exercise significant influence	-	-	31.42	28.15
	Svarog Global Power Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	10.28	-
	Saimeg Infrastructure Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	0.03	-
	K V R Constructions	Enterprise over which Key Management personnel exercise significant influence	-	-	0.04	-
	Benten Developers Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	17.00	-
Sale of Services	Svarog Global Power Private Limited	Enterprise over which Key Management personnel exercise significant influence	5.47	-	7.31	17.03
	Vensol (Bidar) Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	3.10	6.55	3.63	3.43
	Vensol (Nirna) Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	3.10	3.92	3.63	3.36
	Vinsol (Hubli) Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	2.15	2.74	2.56	2.36
	Mavyatho Ventures Private Limited	Associate	2.22	2.84	2.60	2.50
	K V R Constructions	Enterprise over which Key Management personnel exercise significant influence	1.39	1.86	1.89	-
	Rainbow Associates	Enterprise over which Key Management personnel exercise significant influence	-	-	0.05	-
	Saimeg Infrastructure Private Limited	Enterprise over which Key Management personnel exercise significant influence	1.39	1.86	1.86	-
	Premier e-sol Technologies	Enterprise over which Key Management personnel exercise significant influence	-	-	-	15.58
Purchase of Goods	Watertech Engineers	Enterprise over which Key Management personnel exercise significant influence	-	3.40	15.78	77.79
	Premier Lords Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	15.63	42.66
	Premier e-sol Technologies	Enterprise over which Key Management personnel exercise significant influence	-	-	-	15.58
Purchase of services	Primepack Supports Private Limited	Enterprise over which Key Management personnel exercise significant influence	13.85	4.03	-	-
	Brightstone Developers Private Limited	Associate	6.89	8.74	6.32	-
	Niyathi Madasu Advisory Inc.	Enterprise over which Key Management personnel exercise significant influence	11.31	-	-	-
	Watertech Engineers	Enterprise over which Key Management personnel exercise significant influence	-	0.08	0.08	0.16
Interest expense on Loan taken	Chiranjeev Singh Saluja	Managing Director	-	2.86	0.65	0.19
	Sudhir Moola	Director	0.09	0.12	1.34	-
	Surenderpal Singh Saluja	Chairman & Whole Time Director	-	0.03	0.11	-
	Brightstone Developers Private Limited	Associate	3.23	1.38	0.20	-
Interest Income on Loan given	Brightstone Developers Private Limited	Associate	-	-	0.83	-
	Surenderpal Singh Saluja	Chairman & Whole Time Director	1.66	0.78	-	-
	Mavyatho Ventures Private Limited	Associate	0.07	-	-	0.61

Description	Name of the Party	Nature of the relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Investments in	Mavyatho Ventures Private Limited	Associate	-	-	-	6.10
	AKR Construction (Solar) Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	0.53	-
Sale of investments of	Renovar Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	4.64	-	-
	Premier Lords Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	0.24	-
	AKR Construction (Solar) Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	0.27	-	-
Consultancy charges	Ramesh Naidu	Relative of Key Managerial Personnel	-	-	2.06	0.71
	Kuldip Singh Saluja	Relative of Key Managerial Personnel	-	-	-	0.83
Contribution towards CSR	Premier Foundation	Trust promoted by the company	-	2.19	3.56	12.39
Reimbursement of expenses	Surenderpal Singh Saluja	Chairman & Whole Time Director	0.79	0.10	0.32	0.09
	Chiranjeev Singh Saluja	Managing Director	2.14	5.13	0.28	0.25
Purchase of asset	Niyathi Naidu	Relative of Key Managerial Personnel	-	-	15.96	34.20
	Ramesh Naidu Madasu	Relative of Key Managerial Personnel	-	-	18.00	-
Loans taken	Chiranjeev Singh Saluja	Managing Director	-	21.85	34.85	10.00
	Sudhir Moola	Director	-	-	7.56	20.00
	Brightstone Developers Private Limited	Associate	1.50	40.45	-	15.60
	Surenderpal Singh Saluja	Chairman & Whole Time Director	-	0.31	0.10	-
Loans repaid during the year	Sudhir Moola	Director	-	-	26.30	-
	Brightstone Developers Private Limited	Associate	20.87	-	15.60	-
	Chiranjeev Singh Saluja	Managing Director	-	14.00	59.24	0.05
	Surenderpal Singh Saluja	Chairman & Whole Time Director	-	-	3.45	-
Loan given during the year	Mavyatho Ventures Private Limited	Associate	2.50	-	-	-
	Surenderpal Singh Saluja	Chairman & Whole Time Director	-	21.99	-	-
Remuneration paid	Surenderpal Singh Saluja	Chairman & Whole Time Director	4.81	6.45	6.45	5.48
	Chiranjeev Singh Saluja	Managing Director	6.29	8.40	8.40	8.40
	Jasveen Kaur	Director	1.31	1.20	1.20	1.20
	Revathi Rohini Buragadda	Director	2.40	2.91	1.80	1.80
	Sudhir Moola	Director	4.94	6.00	6.00	6.15
	Mohan Preet Singh Khurana	Director	1.74	1.74	1.70	-
	Priyadarshan Sureshchandra Bhatwara	Chief Financial Officer (w.e.f March 29, 2021 to March 31, 2023)	-	11.37	5.75	-
	Nandkishore Khandelwal	Chief Financial Officer (w.e.f September 1, 2023)	5.49	-	-	-
	Kalkur Shantipriya	Company Secretary (till September 15, 2021)	-	-	0.50	-
	Shruti Wallia	Company Secretary (w.e.f from September 16, 2021 to March 25, 2022)	-	-	0.62	-
	Sreenivas Rao Ravella	Company Secretary (w.e.f March 24, 2022)	2.11	2.60	0.05	-
Director sitting fees	Rohan Mehta	Independent Director	0.10	0.06	0.23	-
	Uday Sudhir Pilani	Independent Director	0.07	0.04	0.23	-

(ii) Transactions between Subsidiaries\*

**Premier Energies Limited**

Description	Name of the Party	Nature of relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Goods	Premier Solar Powertech Private Limited	Subsidiary	17.33	2.76	30.52	7.33
	Premier Energies Photovoltaic Private Limited	Subsidiary	4,798.93	2,761.63	1,467.73	15.93
	Premier Energies International Private Limited	Subsidiary	138.28	-	-	-
Purchase of Goods	Premier Solar Powertech Private Limited	Subsidiary	-	-	0.15	35.13
	Premier Energies Photovoltaic Private Limited	Subsidiary	1,711.88	2,137.60	1,415.55	69.04
Sale of services	Premier Energies Photovoltaic Private Limited	Subsidiary	27.38	8.71	-	0.07
	Premier Energies Global Environment Private Limited	Subsidiary	0.91	-	-	-
	Premier Energies International Private Limited	Subsidiary	41.54	-	-	-
	Premier Solar Powertech Private Limited	Subsidiary	0.97	-	-	34.56
Purchase of services	Premier Solar Powertech Private Limited	Subsidiary	5.69	6.61	18.26	26.76
	Premier Energies Photovoltaic Private Limited	Subsidiary	-	28.33	41.70	1.49
Guarantee commission	Premier Energies Photovoltaic Private Limited	Subsidiary	5.74	-	-	-
Interest income on loan given	Premier Solar Powertech Private Limited	Subsidiary	1.81	-	-	-
	Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	0.10	-	-	-
	Premier Energies Global Environment Private Limited	Subsidiary	9.76	9.11	-	-
	Premier Energies Photovoltaic Private Limited	Subsidiary	5.90	-	-	-
	Premier Energies International Private Limited	Subsidiary	57.89	63.96	-	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	0.85	-
Interest received on loan given	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	0.85	-
Conversion of interest accrued to investments	Premier Energies Global Environment Private Limited	Subsidiary	14.31	-	-	-
Miscellaneous income	Premier Energies Photovoltaic Private Limited	Subsidiary	-	-	11.88	-
Sale of assets	Premier Energies International Private Limited	Subsidiary	-	1.56	-	-
	Premier Energies Photovoltaic Private Limited	Subsidiary	-	-	141.68	107.93
Other income	Premier Energies Photovoltaic Private Limited	Subsidiary	-	11.10	41.46	49.57
	Premier Solar Powertech Private Limited	Subsidiary	-	1.68	4.01	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	0.67	-
	Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	-	-	0.67	-
	Premier Energies Global Environment Private Limited	Subsidiary	-	0.34	0.80	-
	Premier Energies International Private Limited	Subsidiary	-	61.52	18.43	-
Interest income on Compulsory Convertible Debentures	Premier Energies Photovoltaic Private Limited	Subsidiary	-	92.62	90.69	10.54
Conversion of interest income on Compulsory Convertible Debentures to Investments	Premier Energies Photovoltaic Private Limited	Subsidiary	-	174.46	-	-
Purchase of Investments	Premier Energies Photovoltaic Private Limited	Subsidiary	-	77.00	106.80	38.80
	Premier Solar Powertech Private Limited	Subsidiary	-	-	153.85	-
	Premier Energies Global Environment Private Limited	Subsidiary	-	-	0.10	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	99.45	-
	Premier Energies International Private Limited	Subsidiary	-	122.03	266.47	-
Conversion of Compulsory Convertible Debentures into Investments	Premier Energies Photovoltaic Private Limited	Subsidiary	-	922.50	-	-
Subscription to Compulsory Convertible Debentures	Premier Energies International Private Limited	Subsidiary	-	906.50	-	-
	Premier Energies Photovoltaic Private Limited	Subsidiary	-	-	216.10	387.65
Interest expenses	Premier Energies International Private Limited	Subsidiary	2.72	7.84	-	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	1.09	0.50	-	-
Loan given	Premier Solar Powertech Private Limited	Subsidiary	50.00	-	-	-
	Premier Energies International Private Limited	Subsidiary	-	-	0.75	-
	Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	-	1.50	-	-
	Premier Energies Photovoltaic Private Limited	Subsidiary	-	85.00	-	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	1.00	30.00
	Premier Energies Global Environment Private Limited	Subsidiary	261.62	141.96	4.23	-
Loan repayments received	Premier Energies Photovoltaic Private Limited	Subsidiary	12.50	-	-	-
	Premier Solar Powertech Private Limited	Subsidiary	30.00	-	-	-
	Premier Energies International Private Limited	Subsidiary	-	-	0.75	-
	Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	0.55	-	-	-
Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	31.46	-	
Conversion of loans given into investment	Premier Energies Global Environment Private Limited	Subsidiary	359.28	4.23	-	-
Loans taken	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	14.00	-	-
	Premier Energies International Private Limited	Subsidiary	-	123.70	-	-
Loans repaid during the year	Premier Energies International Private Limited	Subsidiary	93.70	30.00	-	-
Advance repayments received	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	2.74	-
Advances given	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	-	2.74
Comfort letter given	Premier Energies Photovoltaic Private Limited	Subsidiary	900.00	222.90	-	-
	Premier Energies Global Environment Private Limited	Subsidiary	1,312.50	-	-	-
Corporate Guarantee Given	Premier Energies International Private Limited	Subsidiary	1,950.00	-	-	-
	Premier Energies Photovoltaic Private Limited	Subsidiary	3,314.90	1,870.00	3,584.00	1,687.50

**Premier Solar Powertech Private Limited**

Description	Name of the Party	Nature of relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Goods	Premier Energies Limited	Holding Company	-	-	0.15	35.13
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	-	0.27
Sale of services	Premier Energies International Private Limited	Fellow subsidiary	17.61	49.00	10.70	-
	Premier Energies Limited	Holding Company	5.69	6.61	18.26	26.76
	Premier Energies Global Environment Private Limited	Fellow subsidiary	5.06	-	-	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	6.85	0.84
Purchase of Goods	Premier Energies Limited	Holding Company	17.33	2.76	30.52	7.33
Purchase of Services	Premier Energies Limited	Holding Company	-	-	-	34.56
Business support services	Premier Energies Limited	Holding Company	0.97	1.68	4.01	-
Interest expense on loan taken	Premier Energies Limited	Holding Company	-	-	-	-
Loan repaid	Premier Energies Limited	Holding Company	1.81	-	-	-
Loan taken	Premier Energies Limited	Holding Company	30.00	-	-	-
Advances received	Premier Energies Limited	Holding Company	50.00	-	-	-
Equity contribution received	Premier Energies International Private Limited	Fellow subsidiary	-	-	11.77	-
	Premier Energies Limited	Holding Company	-	-	153.85	-

**Premier Photovoltaic Gajwel Private Limited**

Description	Name of the Party	Nature of relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expenses	Premier Energies Limited	Holding Company	-	-	0.85	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	3.27	-
Loans taken	Premier Energies Limited	Holding Company	-	-	1.00	30.00
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	-	64.00
Business support services	Premier Energies Limited	Holding Company	-	-	0.67	-
Loans Repaid	Premier Energies Limited	Holding Company	-	-	31.46	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	64.00	-
Rental Income	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	0.72	0.96	-	-
Loans given	Premier Energies Limited	Holding Company	-	14.00	-	-
Advance repayments	Premier Energies Limited	Holding Company	-	-	2.74	-
Advance received	Premier Energies Limited	Holding Company	-	-	-	2.74
Interest income	Premier Energies Limited	Holding Company	1.09	0.50	-	-
Equity contribution received	Premier Energies Limited	Holding Company	-	-	99.45	-

**Premier Energies Photovoltaic Private Limited**

Description	Name of the Party	Nature of relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income	Premier Photovoltaic Gajwel Private Limited	Fellow subsidiary	-	-	3.27	-
Purchase of services	Premier Solar Powertech Private Limited	Fellow subsidiary	-	-	6.85	0.84
	Premier Energies Limited	Holding Company	27.38	8.71	-	0.07
Business support services	Premier Energies Limited	Holding Company	-	11.10	41.46	49.57
Loans given	Premier Photovoltaic Gajwel Private Limited	Fellow subsidiary	-	-	-	64.00
Loans repayment received	Premier Photovoltaic Gajwel Private Limited	Fellow subsidiary	-	-	64.00	-
Loans repaid	Premier Energies Limited	Holding Company	12.50	-	-	-
Sale of services	Premier Energies Global Environment Private Limited	Fellow subsidiary	-	20.00	-	-
	Premier Energies Limited	Holding Company	-	28.33	41.70	1.49
	Premier Energies International Private Limited	Fellow subsidiary	212.16	37.66	-	-
Rental income	Premier Energies International Private Limited	Fellow subsidiary	19.86	22.06	-	-
Rental expense	Premier Energies Limited	Holding Company	-	-	11.88	-
Purchase of goods	Premier Solar Powertech Private Limited	Fellow subsidiary	-	-	-	0.27
	Premier Energies International Private Limited	Fellow subsidiary	11.55	-	-	-
	Premier Energies Limited	Holding Company	4,798.93	2,761.63	1,467.73	15.93
Interest expense on loan taken	Premier Energies Limited	Holding Company	5.90	-	-	-
Guarantee commission charges	Premier Energies Limited	Holding Company	5.74	-	-	-
Purchase of assets	Premier Energies International Private Limited	Fellow subsidiary	85.83	-	-	-
	Premier Energies Limited	Holding Company	-	-	141.68	107.93
Loan taken	Premier Energies Limited	Holding Company	-	85.00	-	-
Equity contribution	Premier Energies Limited	Holding Company	-	77.00	106.80	38.80
Interest expense towards Compulsory Convertible Debentures	Premier Energies Limited	Holding Company	-	92.62	90.69	10.54
Interest accrued on compulsory convertible debentures converted to equity	Premier Energies Limited	Holding Company	-	174.46	-	-
Rental expense	Premier Photovoltaic Gajwel Private Limited	Fellow subsidiary	0.72	0.96	-	-
Issue of Compulsorily convertible debentures	Premier Energies Limited	Holding Company	-	-	216.10	387.65
Conversion of compulsory convertible debentures to equity	Premier Energies Limited	Holding Company	-	922.50	-	-
Sale of Goods	Premier Energies Limited	Holding Company	1,711.88	2,137.60	1,415.55	69.04
	Premier Energies International Private Limited	Fellow subsidiary	1,138.04	-	-	-
Comfort letter taken	Premier Energies Limited	Holding Company	900.00	222.90	-	-
Corporate Guarantee taken	Premier Energies Limited	Holding Company	3,314.90	1,870.00	3,584.00	1,687.50

**Premier Energies International Private Limited**

Description	Name of the Party	Nature of relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of services	Premier Solar Powertech Private Limited	Fellow subsidiary	17.61	-	-	-
	Premier Energies Limited	Holding Company	41.54	-	-	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	212.16	-	-	-
Advances Given	Premier Solar Powertech Private Limited	Fellow subsidiary	-	-	11.77	-
	Premier Energies Global Environment Private Limited	Fellow subsidiary	-	9.70	-	-
Rent expense	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	19.86	22.06	-	-
	Premier Energies Global Environment Private Limited	Fellow subsidiary	11.03	8.66	-	-
Loan given	Premier Energies Limited	Holding Company	-	123.70	-	-
Loan recovered	Premier Energies Limited	Holding Company	93.70	30.00	-	-
Loan taken	Premier Energies Limited	Holding Company	-	-	0.75	-
Loan repaid	Premier Energies Limited	Holding Company	-	-	0.75	-
Interest expense on loan taken	Premier Energies Limited	Holding Company	57.89	63.96	-	-
Interest income on loan given	Premier Energies Limited	Holding Company	2.72	7.84	-	-
Purchase of goods	Premier Energies Limited	Holding Company	138.28	-	-	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	1,138.04	-	-	-
Sale of assets	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	85.83	-	-	-
Purchase of assets	Premier Energies Limited	Holding Company	-	63.08	18.43	-
	Premier Solar Powertech Private Limited	Fellow subsidiary	-	49.00	10.70	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	37.66	-	-
Sale of goods	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	11.55	-	-	-
Equity contribution received	Premier Energies Limited	Holding Company	-	122.03	266.47	-
Corporate Guarantee taken	Premier Energies Limited	Holding Company	1,950.00	-	-	-
Compulsory Convertible Debentures contribution received	Premier Energies Limited	Holding Company	-	906.50	-	-

**Premier Energies Global Environment Private Limited**

Description	Name of the Party	Nature of relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental Income	Premier Energies International Private Limited	Fellow subsidiary	11.03	8.66	-	-
Purchase of assets	Premier Energies Photovoltaic Private Limited Premier Solar Powertech Private Limited	Fellow subsidiary Fellow subsidiary	5.06	20.00	-	-
Advance From Customers	Premier Energies International Private Limited	Fellow subsidiary	-	9.70	-	-
Purchase of services	Premier Energies Limited	Holding Company	0.91	-	-	-
Other expenses	Premier Energies Limited	Holding Company	-	0.34	0.80	-
Interest expense on loan taken	Premier Energies Limited	Holding Company	9.76	9.11	-	-
Conversion of interest accrued into equity	Premier Energies Limited	Holding Company	14.31	-	-	-
Issue of equity shares	Premier Energies Limited	Holding Company	-	-	0.10	-
Conversion of loans into equity	Premier Energies Limited	Holding Company	359.28	4.23	-	-
Loans taken	Premier Energies Limited	Holding Company	261.62	141.96	4.23	-
Comfort letter taken	Premier Energies Limited	Holding Company	1,312.50	-	-	-

**Premier Photovoltaic Zaheerabad Private Limited**

Description	Name of the Party	Nature of relationship	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense	Premier Energies Limited	Holding Company	0.10	-	-	-
Business support services	Premier Energies Limited	Holding Company	-	-	0.67	-
Loans repaid	Premier Energies Limited	Holding Company	0.55	-	-	-
Loans taken	Premier Energies Limited	Holding Company	-	1.50	-	-

(iii) Balances receivable from / payable to related parties are as follows :

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Trade Receivable	Watertech Engineers	Enterprise over which Key Management personnel exercise significant influence	-	-	19.72	0.01
	Mavyatho Ventures Private Limited	Associate	0.57	1.15	0.50	-
	Vinsol (Hubli) Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	0.26	-	-	-
	Vensol (Bidar) Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	0.40	-	-	-
	Vensol (Nirna) Energy Private Limited	Enterprise over which Key Management personnel exercise significant influence	0.40	-	-	-
	Saimge Infrastructure Private Limited	Enterprise over which Key Management personnel exercise significant influence	1.26	0.73	0.53	0.39
	Benten Developers Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	-	20.26	0.20
	K V R Constructions	Enterprise over which Key Management personnel exercise significant influence	0.27	0.10	0.18	0.42
	Svarog Global Power Private Limited	Enterprise over which Key Management personnel exercise significant influence	0.69	-	-	0.88
	Rainbow Associates	Enterprise over which Key Management personnel exercise significant influence	-	-	-	0.66
Trade Payables	Premier Lords Private Limited	Enterprise over which Key Management personnel exercise significant influence	-	0.17	0.17	9.33
	Brightstone Developers Private Limited	Associate	0.88	-	1.83	-
Loans from related parties	Surenderpal Singh Saluja	Chairman & Whole Time Director	0.41	0.41	0.10	3.45
	Chiranjeev Singh Saluja	Managing Director	-	22.20	14.35	38.74
	Sudhir Moola	Director	1.26	1.26	1.26	20.00
	Brightstone Developers Private Limited	Associate	21.08	40.45	-	15.60
Loans receivable	Mavyatho Ventures Private Limited	Associate	2.50	-	-	-
	Surenderpal Singh Saluja	Chairman & Whole Time Director	21.99	21.99	-	-
Interest receivable	Surenderpal Singh Saluja	Chairman & Whole Time Director	1.53	-	-	-
Interest payable	Sudhir Moola	Director	0.09	-	1.34	-
	Brightstone Developers Private Limited	Associate	4.61	1.38	-	-
	Chiranjeev Singh Saluja	Managing Director	-	-	0.65	-
Travel advance	Chiranjeev Singh Saluja	Managing Director	0.63	0.19	-	-
Other payable	Surenderpal Singh Saluja	Chairman & Whole Time Director	-	0.06	-	-
Personal Guarantees	Surenderpal Singh Saluja	Chairman & Whole Time Director	6,942.60	-	-	-
	Chiranjeev Singh Saluja	Managing Director	21,544.40	-	-	-
Corporate guarantee given	Mavyatho Ventures Private Limited	Associate	117.50	117.50	117.50	117.50

(iv) Balances receivable from / payable between subsidiaries are as follows\*

**Premier Energies Limited**

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Trade receivable	Premier Energies Photovoltaic Private Limited	Subsidiary	27.57	676.98	166.08	27.95
	Premier Solar Powertech Private Limited	Subsidiary	1.30	0.12	7.67	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	0.12	0.73	-
	Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	-	0.73	0.73	-
	Premier Energies Global Environment Private Limited	Subsidiary	2.66	1.22	0.80	-
	Premier Energies International Private Limited	Subsidiary	186.04	0.36	18.32	-
Trade payables	Premier Solar Powertech Private Limited	Subsidiary	2.22	15.84	18.58	39.85
	Premier Energies Photovoltaic Private Limited	Subsidiary	-	289.14	36.67	84.59
Loans payable	Premier Energies International Private Limited	Subsidiary	-	93.70	-	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	14.00	14.00	-	-
Loans receivable	Premier Energies Global Environment Private Limited	Subsidiary	44.31	141.96	4.23	-
	Premier Solar Powertech Private Limited	Subsidiary	20.00	-	-	-
	Premier Photovoltaic Zaheerabad Private Limited	Subsidiary	0.95	1.50	-	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	-	30.46
	Premier Energies Photovoltaic Private Limited	Subsidiary	72.50	-	-	-
Interest receivable on Compulsory Convertible Debentures	Premier Energies Photovoltaic Private Limited	Subsidiary	-	-	91.11	9.49
Advances received	Premier Energies Photovoltaic Private Limited	Subsidiary	-	240.89	-	-
	Premier Energies International Private Limited	Subsidiary	0.36	-	-	-
	Premier Photovoltaic Gajwel Private Limited	Subsidiary	0.12	-	-	-
Advances given	Premier Photovoltaic Gajwel Private Limited	Subsidiary	-	-	-	2.74
Interest payable	Premier Photovoltaic Gajwel Private Limited	Subsidiary	0.21	0.45	-	-
	Premier Energies International Private Limited	Subsidiary	9.50	7.06	-	-
Investment in Compulsory Convertible Debentures	Premier Energies Photovoltaic Private Limited	Subsidiary	-	-	922.50	706.40
Interest receivable	Premier Solar Powertech Private Limited	Subsidiary	1.81	-	-	-
	Premier Energies Photovoltaic Private Limited	Subsidiary	5.31	-	-	-
	Premier Energies International Private Limited	Subsidiary	110.28	57.57	-	-
	Premier Energies Global Environment Private Limited	Subsidiary	2.67	8.20	-	-
Corporate guarantee given	Premier Energies Photovoltaic Private Limited	Subsidiary	10,456.40	7,141.50	5,271.50	1,687.50
	Premier Energies International Private Limited	Subsidiary	1,950.00	-	-	-
Comfort letter given	Premier Energies Photovoltaic Private Limited	Subsidiary	1,122.90	222.90	-	-
	Premier Energies Global Environment Private Limited	Subsidiary	1,312.50	-	-	-

**Premier Solar Powertech Private Limited**

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Advance from customers	Premier Energies International Private Limited	Fellow subsidiary	-	-	1.07	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	0.00	0.00	-
Loans payable	Premier Energies Limited	Holding Company	20.00	-	-	-
Interest payable	Premier Energies Limited	Holding Company	1.81	-	-	-
Trade payables	Premier Energies Limited	Holding Company	1.30	0.12	-	-
Trade receivables	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	-	0.05
	Premier Energies Limited	Holding Company	2.22	15.84	10.91	39.85
	Premier Energies Global Environment Private Limited	Fellow subsidiary	5.46	-	-	-
	Premier Energies International Private Limited	Fellow subsidiary	12.44	11.56	-	-

**Premier Photovoltaic Gajwel Private Limited**

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Interest Payable	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	3.27	3.27	3.27	-
Advances given	Premier Energies Limited	Holding Company	0.12	-	-	-
Loans taken	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	-	64.00
Loans payable	Premier Energies Limited	Holding Company	-	-	-	30.46
Interest receivable	Premier Energies Limited	Holding Company	0.21	0.45	-	-
Loans receivable	Premier Energies Limited	Holding Company	14.00	14.00	-	-
Rent Receivable	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	0.72	0.86	-	-
Trade payables	Premier Energies Limited	Holding Company	-	0.12	0.73	-
Advances received	Premier Energies Limited	Holding Company	-	-	-	2.74

**Premier Energies Photovoltaic Private Limited**

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Advance given	Premier Solar Powertech Private Limited	Fellow subsidiary	-	0.00	0.00	-
	Premier Energies Limited	Holding company	-	240.89	-	-
Interest payable	Premier Energies Limited	Holding company	5.31	-	91.11	9.49
Loan payable	Premier Energies Limited	Holding Company	72.50	-	-	-
Rent payable	Premier Photovoltaic Gajwel Private Limited	Holding Company	0.72	0.86	-	-
Interest receivable	Premier Photovoltaic Gajwel Private Limited	Fellow subsidiary	3.27	3.27	3.27	-
Loans given	Premier Photovoltaic Gajwel Private Limited	Fellow subsidiary	-	-	-	64.00
Loans taken	Premier Energies Limited	Holding Company	-	-	-	-
Trade Payables	Premier Energies Limited	Holding company	27.57	676.98	216.83	27.95
	Premier Solar Powertech Private Limited	Fellow subsidiary	-	-	-	0.05
Trade Receivables	Premier Energies International Private Limited	Fellow subsidiary	779.66	17.43	-	-
	Premier Energies Limited	Holding company	-	289.14	87.41	84.59
	Premier Energies Global Environment Private Limited	Fellow subsidiary	13.60	13.60	-	-
Comfort letter taken	Premier Energies Limited	Holding Company	1,122.90	222.90	-	-
Compulsory Convertible Debentures	Premier Energies Limited	Holding Company	-	-	922.50	706.40
Corporate Guarantee taken	Premier Energies Limited	Holding Company	10,456.40	7,141.50	5,271.50	1,687.50

**Premier Energies International Private Limited**

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Trade Payables	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	806.76	17.43	-	-
	Premier Energies Limited	Holding Company	186.04	-	18.32	-
Capital creditors	Premier Solar Powertech Private Limited	Fellow subsidiary	12.44	11.56	-	-
	Premier Energies Global Environment Private Limited	Fellow subsidiary	7.11	0.12	-	-
Interest Receivable	Premier Energies Limited	Holding Company	9.50	7.06	-	-
Interest payable	Premier Energies Limited	Holding Company	110.28	57.57	-	-
Loans receivable	Premier Energies Limited	Holding Company	0.00	93.70	-	-
Advances given	Premier Energies Limited	Holding Company	0.36	-	-	-
	Premier Energies Global Environment Private Limited	Fellow subsidiary	-	9.70	-	-
Capital Advances	Premier Solar Powertech Private Limited	Fellow subsidiary	-	-	1.07	-
Other payables	Premier Energies Limited	Holding Company	-	0.36	-	-
Other receivable	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	16.13	-	-	-
Trade receivable	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	10.97	-	-	-
Corporate Guarantee taken	Premier Energies Limited	Holding Company	1,950.00	-	-	-

**Premier Energies Global Environment Private Limited**

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Capital creditors	Premier Solar Powertech Private Limited	Fellow subsidiary	5.46	-	-	-
Trade Payables	Premier Energies Limited	Holding Company	2.66	-	0.80	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	13.60	13.60	-	-
Loan payable	Premier Energies Limited	Holding Company	44.31	141.96	4.23	-
	Premier Energies Photovoltaic Private Limited	Fellow subsidiary	-	-	-	-
Interest payable	Premier Energies Limited	Holding Company	2.67	8.20	-	-
Advance from customers	Premier Energies International Private Limited	Fellow subsidiary	-	9.70	-	-
Other receivable	Premier Energies International Private Limited	Fellow subsidiary	7.11	0.12	-	-
Trade receivables	Premier Energies International Private Limited	Fellow subsidiary	-	-	-	-
Comfort letter taken	Premier Energies Limited	Holding Company	1,312.50	-	-	-

**Premier Photovoltaic Zaheerabad Private Limited**

Description	Name of the Party	Nature of relationship	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Loans payable	Premier Energies Limited	Holding Company	0.95	1.50	-	-
Trade payables	Premier Energies Limited	Holding Company	-	0.73	0.73	-

\* All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.



**G Terms and conditions of funding arrangements between the entities that are being consolidated:**

- (a) **Loan from Premier Energies International Private Limited**  
The Inter corporate loan represents the unsecured loan taken from Premier Energies International Private Limited the subsidiary of the Company which is in the business of manufacturing and selling solar cells & modules for meeting its working
- (b) **Loan from Premier Photovoltaic Gajwel Private Limited**  
The Inter corporate loan represents the unsecured loan taken from Premier Photovoltaic Gajwel Private Limited the wholly owned subsidiary of the Company carrying on the business of solar power generation for meeting its working capital
- (c) **Loan to Premier Photovoltaic Gajwel Private Limited**  
The Inter corporate loan represents the unsecured loan given to Premier Photovoltaic Gajwel Private Limited the subsidiary of the Company in the wholly owned subsidiary of the Company carrying on the business of solar power generation for
- (d) **Loan to Premier Photovoltaic Zaheerabad Private Limited**  
The Inter corporate loan represents the unsecured loan given to Premier Photovoltaic Zaheerabad Private Limited the subsidiary of the Parent carrying on the business of manufacturing of solar modules for meeting its working capital requirements.
- (e) **Loan to Premier Energies Photovoltaic Private Limited**  
The Inter corporate loan represents the unsecured loan given to Premier Energies Photovoltaic Private Limited the subsidiary of the Parent carrying on the business of Manufacturing Solar PV cells & modules for meeting its capital expenditures. The
- (f) **Loan to Premier Energies Global Environment Private Limited**  
The Inter corporate loan represents the unsecured loan given to Premier Energies Global Environment Private Limited the subsidiary of the Parent carrying on the business of manufacturing and selling solar cells and modules for meeting its working
- (g) **Loan to Mavyatho Ventures Private Limited**  
The Inter corporate loan represents the unsecured loan given to Mavyatho Ventures Private Limited the Associate of the Parent carrying on the business of operation and maintenance of projects for meeting its working capital requirements. The loan
- (h) **Loans taken from Brightstone developers Private Limited**  
The Inter corporate loan represents the unsecured loan taken by Premier Solar Powertech Private Limited from Brightstone developers Private Limited carrying on the business of engineering, procurement & construction and operations &

44 Financial Instruments - Fair value measurement

a) The carrying value and fair value of financial instruments by categories are as below:

Particulars	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value*	Carrying value	Fair value*	Carrying value	Fair value*	Carrying value	Fair value*
<b>Financial assets</b>								
<b>Measured at amortized cost</b>								
Investments	87.40	-	587.72	-	547.35	-	91.42	-
Loans	31.54	-	25.49	-	6.93	-	18.44	-
Other financial assets	1,278.51	-	477.77	-	649.23	-	660.83	-
Trade receivables	2,517.81	-	594.61	-	1,451.82	-	1,620.00	-
Cash and cash equivalents	2,163.77	-	645.70	-	800.99	-	144.54	-
Other bank balances	1,723.84	-	1,288.99	-	795.78	-	649.62	-
<b>Total assets</b>	<b>7,802.87</b>	<b>-</b>	<b>3,620.28</b>	<b>-</b>	<b>4,252.10</b>	<b>-</b>	<b>3,184.85</b>	<b>-</b>
<b>Financial liabilities</b>								
<b>Measured at amortized cost</b>								
Borrowings	14,100.45	-	7,635.42	-	4,532.97	-	3,451.93	-
Lease liabilities	91.90	-	4.44	-	7.08	-	7.83	-
Trade payables	5,015.65	-	3,979.15	-	2,699.42	-	1,622.86	-
Other financial liabilities	1,123.19	-	1,689.72	-	339.06	-	380.43	-
<b>Total liabilities</b>	<b>20,331.19</b>	<b>-</b>	<b>13,308.73</b>	<b>-</b>	<b>7,578.53</b>	<b>-</b>	<b>5,463.05</b>	<b>-</b>

\* The fair value of cash and cash equivalents, trade receivables, borrowings, trade payables, other financial assets and liabilities approximate their carrying amounts and hence the same has not been disclosed in the table above.

b) Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognized and measured at fair value
- measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

**Transfers between Level 1, Level 2 and Level 3**

There were no transfers between Level 1, Level 2 or Level 3 during the period ended December 31, 2023, year ended March 31, 2023, March 31, 2022 and March 31, 2021.

**Determination of fair values**

Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- The fair value of mutual funds are based on price quotations at reporting date.
- The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.
- The fair values of borrowings at fixed rates are considered to be equivalent to present value of the future contracted cashflows discounted at the current market

#### 45 Financial risk management

The Group has exposure to the following risks arising from financial instruments: credit risk ; liquidity risk ; market risk

##### Financial risk management framework

The Group is exposed primarily to Credit risk, liquidity risk and market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

##### (a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets.

##### Trade receivables:

The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits as defined in accordance with this assessment and outstanding customer receivables are regularly monitored. The Group's receivables turnover is quick and historically, there was no significant defaults on account of those customer in the past. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

##### Other financial assets:

The Group maintains exposure in cash and cash equivalents, other receivables from bank and derivative instruments with financial institutions.

The Group's maximum exposure to credit risk as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 is the carrying value of each class of financial assets

##### The movement in allowance for impairment in respect of trade receivables is as follows:

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	120.18	108.25	99.90	143.70
Impairment loss recognised during the period/ year	66.38	53.36	36.19	22.80
Less: Impairment loss reversed during the period/ year	-	(41.43)	(27.84)	(66.60)
<b>Closing balance</b>	<b>186.56</b>	<b>120.18</b>	<b>108.25</b>	<b>99.90</b>

##### (b) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

##### Exposure to liquidity risk

The table below details the Group's remaining contractual maturity for its non-derivative financial liabilities. The contractual consolidated cash flows reflect the undiscounted consolidated cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Particulars	Total	0-12 months	1-2 years	3-5 years	More than 5 years
<b>As at December 31, 2023</b>					
Loans and borrowings	14,100.45	5,601.37	1,373.37	1,732.75	5,392.96
Lease liabilities	91.90	14.57	22.93	54.40	-
Trade and other payables	5,015.65	5,015.65	-	-	-
Other financial liabilities	1,123.19	1,123.19	-	-	-
	<b>20,331.19</b>	<b>11,754.78</b>	<b>1,396.30</b>	<b>1,787.15</b>	<b>5,392.96</b>
<b>As at March 31, 2023</b>					
Loans and borrowings	7,635.42	5,620.89	69.16	66.83	1,878.54
Lease liabilities	4.44	3.06	1.38	-	-
Trade and other payables	3,979.15	3,979.15	-	-	-
Other financial liabilities	1,689.72	1,689.72	-	-	-
	<b>13,308.73</b>	<b>11,292.82</b>	<b>70.54</b>	<b>66.83</b>	<b>1,878.54</b>
<b>As at March 31, 2022</b>					
Loans and borrowings	4,532.97	1,210.27	405.98	1,134.01	1,782.71
Lease liabilities	7.08	2.65	3.06	1.37	-
Trade and other payables	2,699.42	2,699.42	-	-	-
Other financial liabilities	339.06	339.06	-	-	-
	<b>7,578.53</b>	<b>4,251.40</b>	<b>409.04</b>	<b>1,135.38</b>	<b>1,782.71</b>
<b>As at March 31, 2021</b>					
Loans and borrowings	3,451.93	984.45	310.58	1,183.90	973.00
Lease liabilities	7.83	2.52	2.65	2.66	-
Trade and other payables	1,622.86	1,622.86	-	-	-
Other financial liabilities	380.43	380.43	-	-	-
	<b>5,463.05</b>	<b>2,990.26</b>	<b>313.23</b>	<b>1,186.56</b>	<b>973.00</b>

(c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

**Currency risk**

The Group's functionally currency is Indian rupees ₹. The Group undertakes has purchased some plant and machinery in foreign currency. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the Group's overall debt position in rupee terms without the Group having incurred additional debt and favorable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency.

**Interest rate risk**

Interest rate risk is the risk that the future Standalone cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Variable-rate instruments:</b>				
<b>Financial liabilities</b>				
Fixed rate borrowings	3,230.95	717.66	350.59	477.73
Floating rate borrowings	10,869.50	6,917.76	4,182.38	2,974.20
<b>Total borrowings</b>	<b>14,100.45</b>	<b>7,635.42</b>	<b>4,532.97</b>	<b>3,451.93</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) profit /loss by the amounts as under.

Particulars	Profit or loss	
	1% increase	1% decrease
Floating rate borrowings as at December 31, 2023	(108.70)	108.70
Floating rate borrowings as at March 31, 2023	(69.18)	69.18
Floating rate borrowings as at March 31, 2022	(41.82)	41.82
Floating rate borrowings as at March 31, 2021	(29.74)	29.74

(d) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Group. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows:

**a) Forward contract (Derivatives):**

Forward contract outstanding as at Balance Sheet date:

December 31, 2023 Buy US \$ 2,80,93,491

March 31, 2023 Buy US \$ 4,00,60,631

March 31, 2022 Buy US \$ 1,16,37,900

March 31, 2021 Buy US \$ 73,09,612

**b) Details of Unhedged Foreign Currency Exposure:**

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

**For the period ended December 31, 2023**

Particulars	Currency	Amount in	Amount (₹)	Conversion rate
		foreign currency		
Trade payables	USD	1,41,28,306	1,174.34	83.12
	EUR	708	0.07	92.00
Trade receivables	USD	33,87,167	281.54	83.12
Cash and cash equivalents	USD	34,68,938	288.34	83.12
	EUR	239	0.02	92.00
Capital Creditors	USD	69,21,553	575.32	83.12
	EUR	14,88,009	136.90	92.00

**For the year ended March 31, 2023**

Particulars	Currency	Amount in	Amount (₹)	Conversion rate
		foreign currency		
Trade payables	USD	3,14,11,282	2,582.64	82.22
	EUR	1,677	0.15	89.73
Trade receivables	USD	2,16,374	17.79	82.22
Cash and cash equivalents	USD	1,07,382	8.83	82.22
	EUR	239	0.02	84.66
Imports against Letter of comfort	USD	-	-	-
Capital Creditors	USD	96,630	7.94	82.22
	GBP	169	0.02	100.99
	EUR	52,173	4.60	88.20

**For the year ended March 31, 2022**

Particulars	Currency	Amount in foreign currency	Amount (₹)	Conversion rate
Trade payables	USD	2,60,56,620	1,975.35	75.81
	EUR	3,052	0.26	84.66
Trade receivables	USD	2,93,054	22.22	75.81
Cash and cash equivalents	USD	88,657	6.72	75.81
	EUR	239	0.02	84.66
Imports against Letter of comfort	USD	1,04,92,372	795.43	75.81

**For the year ended March 31, 2021**

Particulars	Currency	Amount in foreign currency	Amount (₹)	Conversion rate
Trade payables	USD	90,81,287	667.47	73.50
	EUR	22,542	1.94	86.10
Trade receivables	USD	46,105	3.39	73.50
Cash and cash equivalents	USD	99	0.01	73.50
	EUR	239	0.02	86.10
Imports against Letter of comfort	USD	65,17,274	479.02	73.50

**46 Capital Management**

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, including interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity including Instruments entirely equity in nature.

The Group's adjusted net debt to equity ratio is analyzed as follows:

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total borrowings (Refer note 16.1 and 19.1)	14,100.45	7,635.42	4,532.97	3,451.93
Less: Cash and cash equivalents (Refer note 9.3)	(2,163.77)	(645.70)	(800.99)	(144.54)
<b>Adjusted net debt (A)</b>	<b>11,936.68</b>	<b>6,989.72</b>	<b>3,731.98</b>	<b>3,307.39</b>
Equity (Refer note 13)	263.46	263.46	263.46	249.51
Instruments entirely equity in nature (Refer note 14)	1,698.74	1,698.74	1,698.74	-
Other equity (Refer note 15)	3,442.56	2,149.95	1,984.04	1,971.17
<b>Adjusted equity (B)</b>	<b>5,404.76</b>	<b>4,112.15</b>	<b>3,946.24</b>	<b>2,220.68</b>
<b>Adjusted net debt to adjusted equity ratio (C= A/B)</b>	<b>2.21</b>	<b>1.70</b>	<b>0.95</b>	<b>1.49</b>

47 Summary of Net Assets and Profit and loss

Name of the entities		As at December 31, 2023							
		Net assets/ (Liabilities) ie Total assets minus liabilities		Share in profit/ (loss)		Share in other comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit/(loss)	Amount	As % of other comprehensi ve income	Amount	As % of total comprehensi ve income	Amount
A.	<b>Parent</b>	83.18%	4,604.14	2.75%	35.06	183.57%	5.25	3.16%	40.31
B.	<b>Subsidiary incorporated in India</b>								
	Premier Energies Photovoltaic Private Limited	44.30%	2,451.96	122.93%	1,566.14	-29.72%	(0.85)	122.59%	1,565.29
	Premier Energies International Private Limited	5.05%	279.47	-17.48%	(222.73)	-16.08%	(0.46)	-17.48%	(223.19)
	Premier Solar Powertech Private Limited	2.12%	117.15	-1.25%	(15.87)	-37.76%	(1.08)	-1.33%	(16.95)
	Premier Photovoltaic Gajwel Private Limited	1.90%	105.10	-0.05%	(0.64)	0.00%	-	-0.05%	(0.64)
	Premier Photovoltaic Zaheerabad Private Limited	0.08%	4.62	-0.04%	(0.47)	0.00%	-	-0.04%	(0.47)
	Premier Energies Global Environment Private Limited	11.68%	646.56	-0.37%	(4.67)	0.00%	-	-0.37%	(4.67)
	<b>Total</b>	<b>148.31%</b>	<b>8,209.00</b>	<b>106.50%</b>	<b>1,356.82</b>	<b>100.00%</b>	<b>2.86</b>	<b>106.48%</b>	<b>1,359.68</b>
	<b>Subsidiary incorporated outside India</b>								
	IBD Solar Powertech (Pvt). LTD	-0.01%	(0.53)	0.00%	(0.04)	-	-	0.00%	(0.04)
	Premier Energies Photovoltaic LLC	0.00%	-	0.00%	-	-	-	0.00%	-
	Non-controlling interest	2.35%	130.34	0.00%	-	-	-	-	-
C.	<b>Associate</b>								
	Brightstone Developers Private Limited	3.96%	219.23	0.83%	10.59	-	-	0.83%	10.59
	Mavyatho Ventures Private Limited	0.34%	18.63	-0.06%	(0.72)	-	-	-0.06%	(0.72)
D.	Consolidation adjustments	-54.95%	(3,041.57)	-7.27%	(92.63)	-	-	-7.25%	(92.63)
	<b>Net amount</b>	<b>100.00%</b>	<b>5,535.10</b>	<b>100.00%</b>	<b>1,274.02</b>	<b>100.00%</b>	<b>2.86</b>	<b>100.00%</b>	<b>1,276.88</b>

Name of the entities		As at March 31, 2023							
		Net assets/ (Liabilities) ie Total assets minus liabilities		Share in profit/ (loss)		Share in other comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
A.	<b>Parent</b>	107.20%	4,548.08	-103.73%	138.34	115.97%	1.67	-106.13%	140.01
B.	<b>Subsidiary incorporated in India</b>								
	Premier Energies Photovoltaic Private Limited	20.90%	886.63	219.47%	(292.69)	9.03%	0.13	221.77%	(292.56)
	Premier Solar Powertech Private Limited	3.17%	134.54	-35.57%	47.44	-25.00%	(0.36)	-35.69%	47.08
	Premier Photovoltaic Gajwel Private Limited	2.49%	105.74	-5.56%	7.41	-	-	-5.62%	7.41
	Premier Photovoltaic Zaheerabad Private Limited	0.12%	5.10	0.27%	(0.36)	-	-	0.27%	(0.36)
	Premier Energies Global Environment Private Limited	6.54%	277.61	1.12%	(1.50)	-	-	1.14%	(1.50)
	Premier Energies International Private Limited	11.85%	502.66	15.30%	(20.41)	-	-	15.47%	(20.41)
	<b>Total</b>	<b>152.27%</b>	<b>6,459.87</b>	<b>91.77%</b>	<b>(122.38)</b>	<b>100.00%</b>	<b>1.44</b>	<b>91.68%</b>	<b>(120.94)</b>
	Non-controlling interest	3.07%	130.34	3.98%	(5.31)	-	-	4.03%	(5.31)
C.	<b>Associate</b>								
	Brightstone Developers Private Limited	4.94%	209.57	-9.79%	13.06	-	-	-9.90%	13.06
	Mavyatho Ventures Private Limited	0.46%	19.35	0.65%	(0.87)	-	-	0.66%	(0.87)
D.	Consolidation adjustments	-60.73%	(2,576.64)	13.39%	(17.86)	-	-	13.54%	(17.86)
	<b>Net amount</b>	<b>100.00%</b>	<b>4,242.49</b>	<b>100.00%</b>	<b>(133.36)</b>	<b>100.00%</b>	<b>1.44</b>	<b>100.00%</b>	<b>(131.92)</b>

Name of the entities		As at March 31, 2022							
		Net assets/ (Liabilities) ie Total assets minus liabilities		Share in profit/ (loss)		Share in other comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>A.</b>	<b>Parent</b>	108.75%	4,392.70	-122.30%	176.21	1232.50%	(1.51)	-121.15%	174.70
<b>B.</b>	<b>Subsidiary incorporated in India</b>								
	Premier Energies Photovoltaic Private Limited	0.36%	14.36	206.54%	(297.58)	-148.97%	0.18	206.24%	(297.40)
	Premier Solar Powertech Private Limited	2.17%	87.47	-0.27%	0.39	-983.52%	1.21	-1.11%	1.60
	Premier Photovoltaic Gajwel Private Limited	2.43%	98.33	4.56%	(6.57)	-	-	4.55%	(6.57)
	Premier Photovoltaic Zaheerabad Private Limited	0.14%	5.46	0.72%	(1.04)	-	-	0.72%	(1.04)
	Premier Energies Global Environment Private Limited	-0.13%	(5.13)	3.63%	(5.23)	-	-	3.63%	(5.23)
	Premier Energies International Private Limited	8.87%	358.17	1.28%	(1.84)	-	-	1.28%	(1.84)
	<b>Subsidiary incorporated outside India</b>								
	IBD Solar Powertech (Pvt). LTD	0.00%	0.12	0.00	(0.34)	-	0	0.23%	(0.34)
	<b>Total</b>	<b>122.58%</b>	<b>4,951.48</b>	<b>94.39%</b>	<b>(136.00)</b>	<b>100.00%</b>	<b>(0.12)</b>	<b>94.40%</b>	<b>(136.11)</b>
	Non-controlling interest	2.31%	93.15	0.33%	(0.48)	-	-	0.33%	(0.48)
<b>C.</b>	<b>Associate</b>								
	Brightstone Developers Private Limited	4.89%	197.43	-8.66%	12.47	-	-	-8.65%	12.47
	Mavyatho Ventures Private Limited	0.50%	20.21	0.50%	(0.72)	-	-	0.50%	(0.72)
<b>D.</b>	Consolidation adjustments	-30.27%	(1,222.88)	13.43%	(19.35)	-	-	13.42%	(19.35)
	<b>Net amount</b>	<b>100.00%</b>	<b>4,039.39</b>	<b>100.00%</b>	<b>(144.08)</b>	<b>100.00%</b>	<b>(0.12)</b>	<b>100.00%</b>	<b>(144.20)</b>

Name of the entities		As at March 31, 2021							
		Net assets/ (Liabilities) ie Total assets minus liabilities		Share in profit/ (loss)		Share in other comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>A.</b>	<b>Parent</b>	98.22%	2,347.57	166.44%	429.52	100.00%	(0.45)	166.55%	429.07
<b>B.</b>	<b>Subsidiary incorporated in India</b>								
	Premier Energies Photovoltaic Private Limited	8.62%	206.11	-62.01%	(160.04)	-	-	-62.12%	(160.04)
	Premier Solar Powertech Private Limited	3.59%	85.87	18.41%	47.50	-	-	18.44%	47.50
	Premier Photovoltaic Gajwel Private Limited	0.23%	5.45	-0.48%	(1.23)	-	-	-0.48%	(1.23)
	Premier Photovoltaic Zaheerabad Private Limited	0.27%	6.50	-0.02%	(0.05)	-	-	-0.02%	(0.05)
	<b>Subsidiary incorporated outside India</b>								
	IBD Solar Powertech (Pvt). LTD	0.02%	0.51	-	-	-	-	-	-
	<b>Total</b>	<b>110.96%</b>	<b>2,652.01</b>	<b>122.33%</b>	<b>315.70</b>	<b>100.00%</b>	<b>(0.45)</b>	<b>122.37%</b>	<b>315.25</b>
	Non-controlling interest	7.09%	169.45	9.02%	23.28	-	-	9.04%	23.28
<b>C.</b>	<b>Associate</b>								
	Brightstone Developers Private Limited	4.42%	105.56	2.73%	7.04	-	-	2.73%	7.04
	Mavyatho Ventures Private Limited	0.88%	20.93	-0.24%	(0.62)	-	-	-0.24%	(0.62)
	Premier Lords Private Limited	0.01%	0.31	0.03%	0.07	-	-	0.03%	0.07
<b>D.</b>	Consolidation adjustments	-23.35%	(558.13)	-33.87%	(87.40)	-	-	-33.93%	(87.40)
	<b>Net amount</b>	<b>100.00%</b>	<b>2,390.13</b>	<b>100.00%</b>	<b>258.07</b>	<b>100.00%</b>	<b>(0.45)</b>	<b>100.00%</b>	<b>257.62</b>

\* Net assets means total assets minus total liabilities excluding shareholders funds.

**Note :**  
The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of inter-company transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Companies Act, 2013.

48 Ratios

Sl.	Particulars	Numerator	Denominator	Period				Percentage change from			Explanation for the variance more than 25%		
				As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	March 31,2023 to December 31,2023	March 31,2023 to March 31, 2022	March 31,2022 to March 31, 2021	(December 2023 vs March 2023)	(March 2023 vs March 2022)	(March 2022 vs March 2021)
i	Current ratio (in times)	Total Current assets	Total Current liabilities	1.12	1.02	1.29	1.08	9.89%	(21.30%)	19.57%			
ii	Debt-Equity Ratio (in times)	Total Debt <sup>(1)</sup>	Shareholder's Equity	2.64	1.86	1.15	1.56	41.64%	61.20%	(26.16%)	Increase in ratio was mainly due to increase in borrowings.	Increase was primarily on account of increase of borrowings.	Decrease was primarily on account of increase in shareholder's equity.
iii	Debt Service Coverage Ratio (in times)	Earnings available for debt service <sup>(2)</sup>	Debt Service <sup>(3)</sup>	2.60	1.17	0.86	1.64	123.40%	35.30%	(47.36%)	Increase in ratio is mainly due to increase in profits	Increase in ratio is due to decrease in losses and corresponding increase in non cash items	Decrease is primarily on account of increase in additional debt and increase in losses.
iv	Return on Equity (ROE) (in %)	Restated profit/ (loss) for the period/ year after tax attributable to owners of the company	Average Shareholder's Equity	26.77%	(3.18%)	(4.66%)	10.37%	942.45%	31.76%	(144.90%)	Increase in ratio is mainly due to increase in profits	Increase in ROE is due to reduction in loss during the year	Decline in ROE is attributable to losses and increase in average equity
v	Inventory turnover ratio (in times)	Cost of goods sold <sup>(4)</sup>	Average Inventory	2.11	2.76	4.20	6.03	(23.77%)	(34.21%)	(30.38%)		Decrease was due to the increase in closing inventory	Decrease was due to the increase in closing inventory
vi	Trade receivables turnover ratio (in times)	Revenue from operations	Average Trade Receivable	12.96	13.96	4.84	3.96	(7.16%)	188.65%	22.01%		The surge is on account of increase in sales	
vii	Trade payables turnover ratio (in times)	Adjusted expenses <sup>(5)</sup>	Average Trade Payables	4.14	5.19	3.93	4.13	(20.15%)	31.94%	(4.80%)		Increase is on account of higher adjusted expenses made during the year	
viii	Net capital turnover ratio (in times)	Revenue from operations	Working Capital	12.15	78.02	4.93	20.93	(84.42%)	1481.69%	(76.44%)	Decrease in ratio was mainly due to increase in working capital.	Increase is due to revenue growth and decrease in working capital	Decrease is due to increase in working capital
ix	Net profit ratio	Restated profit/ (loss) for the period/ year after tax	Revenue from operations	6.32%	(0.93%)	(1.94%)	3.68%	776.54%	51.87%	(152.72%)	Increase in ratio was due to increase in revenue and increase in profits.	Increase is on account of lower losses and increased revenue	Decrease is primarily due to losses in the current period
x	Return on capital employed (ROCE) (in %)	Restated Earning before interest, taxes and share of profit of associates	Average Capital Employed <sup>(6)</sup>	15.99%	5.94%	3.63%	14.47%	169.09%	63.65%	(74.91%)	Increase in ratio was mainly due to increase in borrowings and corresponding increase in earnings.	Increase in earnings with adjacent increase in capital employed has resulted in increase of ROCE	Decrease in earnings with adjacent increase in capital employed has resulted in decrease of ROCE
xi	Return on Investment (ROI) (in %)	Dividend and income generated from investments	Total investment	0.14%	3.06%	0.67%	N.A	(95.40%)	357.60%	N.A	Decrease in ratio is on account of liquidation of Mutual funds during the year	Increase in ratio is on account of Increase in dividend income and gain on mutual funds income as compared to previous year	

Note:

<sup>(1)</sup> Long-Term borrowings + short-Term borrowings + interest accrued + lease liabilities

<sup>(2)</sup> Restated net profit after taxes + interest + non-cash operating expenses like depreciation & amortisation, provisions

<sup>(3)</sup> Interest and lease payments + Principal repayments

<sup>(4)</sup> Represents cost of material consumed + purchases of stock-in-trade + changes in inventories of finished goods and work-in-progress

<sup>(5)</sup> Adjusted expenses includes purchase of stock in trade, purchases of raw material, contract execution expenses, employee benefit expenses (excluding contribution to provident and other funds, gratuity and compensated absences expense, share based payment expense) and other expenses (excluding provision for warranty, provision for doubtful debts, foreign exchange loss, bad debts/ assets written off, loss on sale of property, plant and equipment and provision for impairment of investment).

<sup>(6)</sup> Average capital employed is the average of opening and closing values of total equity (excluding non- controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset) less intangible assets including goodwill.



**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**

**Corporate Identity Number (CIN) : U40106TG1995PLC019909**

**Notes to Restated Consolidated Financial Information**

**(All amounts in ₹ million, unless otherwise stated)**

**49 Restated Adjustments**

- a) There are no restatement adjustments required to be made under the SEBI ICDR Regulations for the period ended December 31, 2023, years ended March 31, 2023, March 31, 2022 and March 31, 2021. Accordingly, there are no reconciliations between total equity and total comprehensive income as per the Restated Consolidated Financial Information and as per the audited Consolidated Ind AS Financial Statements of the respective years.
- b) Appropriate adjustments have been made in the Restated Consolidated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, as applicable, to conform with the requirements of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**50 Disclosure requirement as per Schedule III of Companies Act, 2013**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (vi) The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

**51 Significant events after the reporting period**

There are no significant events after the reporting period.

For and on behalf of Board of Directors

**Premier Energies Limited (Formerly known as Premier Solar Systems Private Limited)**

**Surenderpal Singh Saluja**  
Chairman & Whole Time Director  
DIN: 00664597

**Chiranjeev Singh Saluja**  
Managing Director  
DIN: 00664638

**Ravella Sreenivasa Rao**  
Company Secretary  
Membership Number: A17755

**Nand Kishore Khandelwal**  
Chief Financial Officer  
Membership Number: 074967

Place: Hyderabad  
Date: March 14, 2024

## OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company PEPPL, PEIPL, PSPPL and PPGPL as identified in accordance with the requirements of the SEBI ICDR Regulations, for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 together with all the annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available on our website at <https://www.premierenergies.com/investor-relations>. 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, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, its Subsidiaries or any entity in which it or its shareholders may have significant influence and should not be relied upon or used as a basis for any investment decision. Neither the Company, its Subsidiaries or any of its advisors, nor any of the Book Running Lead Managers 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 Standalone Financial Statements, or the opinions expressed therein.

The details of accounting ratios derived from the Restated Consolidated Financial Information and other non-GAAP information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	<i>(in ₹ million other than share data)</i>			
	As at and for the nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated earnings per Equity Shares – Basic <sup>(2)</sup> (in ₹)* <sup>^</sup>	4.84	(0.48)	(0.56)	0.94
Restated earnings per Equity Share – Diluted <sup>(3)</sup> (in ₹)* <sup>^</sup>	3.62	(0.48)	(0.56)	0.94
Return on net worth (%) <sup>*(4)</sup>	24.92	(3.35)	(3.65)	10.63
Net asset value per Equity Share <sup>(5)</sup> (in ₹) <sup>^</sup>	14.55	10.87	11.19	8.85
EBITDA <sup>(6)</sup>	3,088.57	1,128.81	537.38	884.66

\*Not annualized for the nine months period ended December 31, 2023.

<sup>^</sup> Pursuant to a Board resolution and Shareholders’ resolution each dated April 10, 2024, the Company has issued and allotted Equity Shares through bonus issue in the ratio of 0.268 Equity Shares for every one Equity Share. The EPS and Net asset value per Equity Share disclosed above are derived from the Restated Consolidated Financial Information and are not adjusted for above events occurring after the Restated Consolidated Financial Information is adopted by the Board of Directors on March 14, 2024 in accordance with Indian Accounting Standard (Ind AS) 33 “Earning Per Share”.

### Notes:

(1) As derived from the Restated Consolidated Financial Information.

(2) Basic earnings per share (₹) = Restated net profit/loss attributable to equity shareholders / weighted average number of shares outstanding during the year.

(3) Diluted earnings per share (₹) = Restated net profit/loss attributable to equity shareholders / weighted average number of dilutive equity shares.

(4) Return on net worth is calculated as restated profit/ loss attributable to the equity shareholders for the period/ year divided by restated net worth. Restated net worth means 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 our Company on a restated basis.

(5) Net asset value per Equity Share (₹) = Restated net worth / Number of equity shares and potential equity shares on account of compulsory convertible debentures outstanding as at the end of period/year. Restated net worth means 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 our Company on a restated basis.

(6) EBITDA = Earnings before interest, tax, depreciation and amortization and is calculated as restated profit for the year / period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates.

The Non-GAAP Measures presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the year/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. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP 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 because they are widely used measures to evaluate a company's operating performance.

*See “Risk Factors – We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operations and financial performance in this Draft Red Herring Prospectus that are subject to inherent measurement challenges. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial, or industry related statistical information of similar nomenclature computed and presented by other companies. Such supplemental financial and operational information is therefore of limited utility as an analytical tool for investors and there can be no assurance that there will not be any issues or such tools will be accurate going forward.” on page 68.*

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey the management's perspective on our financial condition and results of operations for the nine months ended December 31, 2023 and Fiscals 2023, 2022 and 2021. Unless otherwise stated, the financial information in this section has been derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.*

*Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2023", "Fiscal 2022" and "Fiscal 2021" are to the 12-month period ended March 31 of the relevant year.*

*Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Please also 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 77. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled **"Risk Factors"** and **"Forward-Looking Statements"** on pages 31 and 20, respectively.*

*Unless the context otherwise requires, in this section, references to "we", "us" and "our" are to Premier Energies Limited on a consolidated basis while references to "our Company" or "the Company", are to Premier 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 "Industry Report on Solar Cell and Module Market" dated April 18, 2024 (the **"F&S Report"**) prepared and issued by Frost & Sullivan (India) Private Limited (**"F&S"**), appointed by us on February 6, 2024 and exclusively commissioned and paid for by us in connection with the Offer. A copy of the F&S Report is available on the website of our Company at <https://premierenergies.com/investor-relations/ipo-documents>. The data included herein includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. F&S is an independent agency and is not related to the Company, its Directors, Promoters, Selling Shareholders, Subsidiaries or BRLMs. There are no parts, data or information relevant for the proposed Offer, that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S 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"** on page 67. Also see, **"Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data"** on page 17.*

### OVERVIEW

Our Company has 29 years of experience in the solar industry and during this time, we have grown to become India's second largest integrated solar cell and solar module manufacturer in terms of annual installed capacity of 2 GW and 3.36 GW, respectively, as of March 31, 2024. (Source: F&S Report) In relation to only solar cells, we are also the second largest domestic manufacturer in terms of annual installed capacity as of March 31, 2024. (Source: F&S Report)

Our business operations include (i) the manufacturing of solar PV cells, (ii) the manufacturing of solar modules including custom made panels for specific applications, (iii) the execution of EPC projects, (iv) independent power production, (v) O&M services with respect to EPC projects executed by our Company and (vi) the sale of other solar-related products.

As of the date of this Draft Red Herring Prospectus, we have five manufacturing facilities, all of which are situated on land that we own, in Hyderabad, Telangana, India. Combined, our manufacturing facilities have an annual installed capacity of 2 GW for solar cells and 3.36 GW for solar modules as of the date of this Draft Red Herring Prospectus.

We have taken steps such as ordering the necessary equipment and machines to (i) increase our annual installed capacity for solar modules by commissioning a 1,034 MW solar module line in Unit V which will be capable of assembling modules with solar cells which employ either TOPCon or HJT; and (ii) increase our annual installed

capacity for solar cells by commissioning a 1,000 MW TOPCon solar cell line in Unit II. We have procured financing for these additional module and cell lines through IREDA, which has estimated project costs of ₹1,750 million and ₹6,694 million, respectively. We expect both additional cell and module lines to be ready within Fiscal 2025.

Since Fiscal 2017, India’s solar module manufacturing capacity has increased substantially, from 4.2 GW to 39.5 GW at the end of Fiscal 2023 at a compounded annual growth rate of 45.3%. (*Source: F&S Report*) The capacity has further increased to 60 GW in Fiscal 2024 and may cross 100 GW by Fiscal 2028. (*Source: F&S Report*) With the market for solar modules expected to continue to grow in India on account of ambitious government targets and increasing demand for clean energy (*Source: F&S Report*), we intend to capitalize on this growth momentum by utilizing a portion of the proceeds from the Fresh Issue towards expanding our current manufacturing capacities by commissioning an additional 4 GW TOPCon solar cell line and an additional 4 GW TOPCon solar module line. For further information, see “*Objects of the Offer*” on page 119.

Our EPC division has executed several projects in India including, among others, the establishment of a rooftop solar system, a canal top project and other large-scale solar power projects. These include a 100 MW project for a Navratna public sector undertaking, a 20 MW canal bank and canal top project in Uttarakhand for a state government power generation company and 18 MW and 15 MW projects in Karnataka. For further information, see “*Our Business – Our Business Operations – EPC Solutions*” on page 219.

Our Company also operates a 2 MW solar power plant which was commissioned in 2012 under the Jawarharlal Nehru National Solar Mission in Jharkhand, India.

As of March 15, 2024, we had an order book of ₹53,620.51 million of which ₹11,974.98 million was in relation to non-DCR solar modules, ₹32,129.03 million was in relation to DCR solar modules, ₹8,015.92 million was in relation to solar cells and ₹1,500.57 million was in relation to EPC projects. For further information on our order book, see “*Our Business – Strengths – We have a diversified customer base with strong customer relationships both within India and overseas with a strong order book*” on page 211.

We have a focus on sustainability and have adopted several ESG strategies and initiatives to, among others, lower our carbon footprint. For more information, see “*Our Business – Our Business Operations – Environment, Social and Governance*” on page 231.

## PRINCIPAL FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our results of operations and financial condition are affected by a number of important factors, including:

### Expansion of our manufacturing capabilities and capacity utilization

As of March 31, 2024, we are India’s second largest integrated solar cell and solar module manufacturer as well as India’s second largest solar cell manufacturer (*Source: F&S Report*) with an aggregate annual installed capacity of 2 GW for solar cells and 3.36 GW for solar modules. We are strategically focused on regularly updating and improving our manufacturing capabilities and infrastructure and to this end, all our manufacturing facilities (save for Unit I) are fully automated, utilizing industrial-grade automated tools, equipment and technologies from Hungary, China, Germany, France, South Korea and Switzerland.

As of the date of this Draft Red Herring Prospectus, we have five manufacturing facilities, all of which are situated on land that we own, in Hyderabad, Telangana, India. The table below shows how our solar cell and solar module installed capacity have increased over the past 25 years to reach our current capacity as of the date of this Draft Red Herring Prospectus and also shows our long track record in the solar module manufacturing space:

Year	Milestone	Total Solar Cell Capacity	Total Solar Module Capacity
2011	Established a solar cell line with an annual capacity of 75 MW and a solar module line with an annual capacity of 100 MW in Unit I	75 MW	100 MW
2017	Expanded the installed capacity of the solar module line in Unit I by 370 MW	75 MW	470 MW

Year	Milestone	Total Solar Cell Capacity	Total Solar Module Capacity
2021	Established a fully integrated 500 MW capacity solar cell line and a 750 MW capacity solar module line in Unit II	500 MW <sup>(1)</sup>	1,220 MW
2022	Expanded the installed capacity of the solar cell and module lines in Unit II by 250 MW and 150 MW, respectively	750 MW	1,370 MW
2023	<ul style="list-style-type: none"> <li>Established a solar cell line in Unit III with an annual capacity of 1,250 MW</li> <li>Established a solar module line in Unit IV with an annual capacity of 1,600 MW</li> <li>Expanded the installed capacity of the solar module line in Unit II by 500 MW</li> </ul>	2,000 MW	3,260 MW <sup>(2)</sup>
2024	Established a solar module line in Unit V with an annual capacity of 100 MW	2,000 MW	3,360 MW

**Notes:**

- (1) Retired the 75 MW capacity solar cell manufacturing line in Unit I in 2018.  
(2) Reduced the installed capacity of the solar module line in Unit I by 210 MW.

We are also now moving towards the production of solar cells with TOPCon technology, a process that uses n-type cells capable of reaching efficiencies of between 24.5% to 25.2%. (Source: F&S Report) We are committed to maintaining our production at the forefront of solar technology and continuing to meet the market’s developing needs by enhancing the efficiency and performance of our solar cells. Within Fiscal 2025, we plan to commission a new 1,000 MW annual installed capacity production line for TOPCon solar cells in Unit II. Additionally, we aim to allocate a portion of the proceeds from the Fresh Issue towards establishing additional TOPCon solar cell and solar module lines each with an annual installed capacity of 4 GW at a new manufacturing facility. For further details, please see “Objects of the Offer” on page 119.

We have a presence in various steps along the solar power value chain from the manufacturing of solar cells to solar modules to providing EPC solutions, O&M services and being an independent power producer. We are continuing in this direction, aiming to extend our backward integration to include the production of ingots and wafers which are crucial elements in the production process of solar cells and will improve our resilience against market and supply fluctuations. Once implemented, we intend to utilize these components for our own solar cell production needs and also offer wafers in the market. The move towards further integration is strategically aimed at improving cost efficiency, strengthening supply chain management and enhancing the overall quality and efficiency of our solar cells. In managing more of the production process, our goal is to ensure better traceability of the components we use in our manufacturing process, particularly for “clean silicon” solar cells – a term that signifies raw materials sourced from ESG-compliant sources and vendors and is of growing significance in the export market. (Source: F&S Report)

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 is expected to result in an increase in our production volumes.

**Focus on overseas market**

Our integrated status supports our overseas revenue streams especially from countries such as the United States owing to our products, particularly our solar cells, being manufactured in India. Our integrated nature also supports greater traceability of the components we use in our manufacturing process. Such traceability is especially important for countries such as the United States which have strict policies on the origination of raw materials and components. For the nine months ended December 31, 2023, we were the largest Indian exporter of solar cells to the United States, which is one of the largest markets for solar panels globally (Source: F&S Report), with a total of 230.75 MW solar cells exported globally. The table below provides details of our revenue from operations for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023 by each customer segment:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
<b>Domestic</b>	<b>6,923.92</b>	<b>98.71</b>	<b>7,360.59</b>	<b>99.08</b>	<b>14,210.38</b>	<b>99.48</b>	<b>16,727.13</b>	<b>82.92</b>

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
- IPP	1,205.33	17.18	1,792.86	24.13	3,166.44	22.17	7,746.58	38.40
- OEM	1,572.22	22.41	2,337.27	31.46	5,825.20	40.78	2,849.59	14.13
- Government	2,172.55	30.97	1,692.14	22.78	1,727.28	12.09	1,452.96	7.20
- Others	1,973.82	28.14	1,538.32	20.71	3,491.46	24.44	4,678.01	23.19
<b>Export</b>	<b>90.66</b>	<b>1.29</b>	<b>68.12</b>	<b>0.92</b>	<b>74.96</b>	<b>0.52</b>	<b>3,444.93</b>	<b>17.08</b>
<b>Total</b>	<b>7,014.58</b>	<b>100.00</b>	<b>7,428.71</b>	<b>100.00</b>	<b>14,285.34</b>	<b>100.00</b>	<b>20,172.06</b>	<b>100.00</b>

We also plan to expand our manufacturing footprint into the United States and to this end, we signed a letter of intent in February 2024 with an American solar manufacturer to enter into a joint venture to develop, construct and operate a TOPCon solar cell manufacturing facility (which may include the manufacturing of solar modules) in the United States. Under the terms of the letter of intent, our Subsidiary, PEPPL, intends to among others contribute its technology, engineering and operational expertise in the manufacture of solar cells to the joint venture while our potential joint venture partner intends to, among others, contribute their human resources, financial resources, supply chain and logistics and regulatory expertise. We also signed a memorandum of understanding in April 2024 with, among others, an international solar wafer and solar module manufacturer and an international semiconductor wafer supplier to establish a new company dedicated in wafering solar bricks into wafers in Malaysia.

We remain committed to nurturing our relationships with our current international customers while seeking to broaden our customer base. Our aim is to not only intensify our presence in the international markets where we currently export our products but also to penetrate additional overseas markets. Each country we export to enforces its own import regulations, including those specific to solar energy products. Should there be any alterations in these policies, such as the introduction of anti-dumping duties, our management will need to dedicate significant attention to reassess the viability of continuing our exports to the affected country. Additionally, as we venture into new international markets, we recognize that our marketing and management experience is limited or non-existent. This expansion will demand considerable management focus and resources to effectively handle the growth of our business in these new regions.

#### Import restrictions and import duties

A significant portion of the raw materials we use in the production of our solar cells and modules are imported from China and other Southeast Asian jurisdictions.

The table below sets forth our cost of imported raw materials from China and other jurisdictions as a percentage of our total purchases for the year / period indicated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of total purchases (%)	Amount (₹ million)	Percentage of total purchases (%)	Amount (₹ million)	Percentage of total purchases (%)	Amount (₹ million)	Percentage of total purchases (%)
Cost of imported materials from China	1,169.45	22.27	3,057.09	41.36	6,982.59	44.03	7,842.58	46.91
Cost of imported materials from other countries	718.78	13.69	1,436.34	19.43	1,704.63	10.75	2,855.98	17.08

For our raw materials and components, we typically make purchases through purchase orders placed in advance, based on projected needs. Therefore, maintaining strong relationships with our suppliers is critical to our success. Further, given that we procure raw materials from various international suppliers in addition to vendors within India, we may be susceptible to price volatility due to factors such as market shifts, currency exchange rates, environmental conditions, production and transportation costs as well as changes in domestic and international

governmental policies and trade sanctions. In the event we are unable to continue importing these raw materials from our current suppliers or face significant restrictions in doing so, there can be no assurance that we will be successful in sourcing the raw materials we require from alternate suppliers on favorable terms in a timely manner or at all.

We also import machinery from overseas to support our operations. In particular, we import all of our module manufacturing tools and a part of our solar cells manufacturing tools from China. Importing such machinery entails several risks and challenges that could adversely affect our business, results of operations, financial condition and cash flows, such as changes in government policies or trade agreements, could lead to increased tariffs or import restrictions, resulting in higher costs or difficulties in importing machinery which could lead to a delay in our operations, impact our production schedules and overall business operations.

Any restrictions, either from the Government of India or any state or provincial government or any other regulatory authority, or from restrictions imposed by any other applicable authorized bilateral or multilateral organizations, on such imports from China and other jurisdictions in which our principal suppliers are located, may adversely affect our business. For example, the Government of India introduced the safeguard duty in July 2018 on the import of solar cells which was applicable until July 2021 and replaced with a significantly higher basic customs duty of 25% on solar cells with effect from April 1, 2022. The imposition of such high basic customs duty on imported solar cells has impacted our cost of materials in the manufacture of solar modules. Fluctuations in import duties can consequently affect our material costs and operating margins. If we are unable to balance increases in material costs with corresponding price hikes for our products, our profit margins will inevitably decline.

Such restrictions or import duties on our raw materials or the machinery essential for module manufacturing, which we need to import for our planned capacity expansion and technology upgrades, could negatively affect our operational results and business outlook.

### **Regulatory landscape and policies**

The solar energy industry in which we operate is subject to constant change. Our business is heavily dependent on the Government of India, state governments, government policies that encourage establishment and adoption of solar energy projects. We intend to continue growing our operations and presence in India's solar sector especially given the favorable regulatory environment and several government initiatives geared towards encouraging domestic production of solar cells and solar modules.

For instance, the GoI's DCR requires the use of locally-produced solar cells and solar modules, adhering to the standards and testing criteria established by the MNRE. With our ability to produce DCR-compliant solar cells and solar modules at scale and with the demand for DCR modules in India currently outpacing the production capacity of solar cells as per the F&S Report, we believe we are ideally positioned to expand our manufacturing capabilities by capitalizing on this market opportunity. Our Subsidiary, PEPPL, is on the ALMM, a list of models and manufacturers of solar modules which have been approved by the MNRE for use in solar projects in India such as government projects, government-assisted projects, government schemes and programs, and open access and net-metering projects. Further support comes from various governmental schemes aimed at promoting domestic solar module usage including the CPSU scheme, the PM-KUSUM Scheme and the Grid Connected Solar Rooftop Programme. Some of these schemes offer central financial assistance or a viability gap funding element to bridge the price gap between imported and domestic solar cells and modules. Utilizing domestically manufactured DCR cells and modules is a prerequisite for accessing such financial support from the government or to participate in such schemes. (*Source: F&S Report*) Additional domestic market opportunities include, among others, Indian Railways' move to electrify its railway tracks. (*Source: F&S Report*)

We previously benefitted from capital subsidies offered by the state and central governments such as M-SIPS and SEPCS and we intend to continue to avail these and other state and central subsidies and incentives moving forward if available. In Fiscal 2023, our Subsidiary, PEPPL, received M-SIPS subsidies of ₹327.66 million. As of December 31, 2023, we have claimed further capital subsidy receivables from the Government of Telangana of ₹338.64 million which will be recognized only on receipt.

Moreover, we cannot guarantee that future laws or regulations won't be enacted, enforced, or interpreted in ways that could materially harm our business and operational results. Any negative shifts in the legal or policy landscape could saddle us with higher compliance costs, necessitate additional approvals and licenses, compel us to adjust our business strategy, or impose stringent requirements and conditions on our operations.

### **Ability to effectively execute and expand our order book**



Our Company's order book as of a particular date comprises the estimated revenues from the unexecuted portions of all the existing contracts. As of March 15, 2024, we had an order book of ₹53,620.51 million of which ₹11,974.98 million was in relation to non-DCR solar modules, ₹32,129.03 million was in relation to DCR solar modules, ₹8,015.92 million was in relation to solar cells and ₹1,500.57 million was in relation to EPC projects. The order book above also includes the order we received from NTPC in December 2023 for the supply of 611.04 MW bifacial solar modules. With respect to this order, we had initially submitted a bid to supply 152 MW of solar modules, but we were subsequently invited to increase the supply to 611.04 MW through a bucket-filling mode.

The manner in which we calculate and present our Company's order book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The order book information included in this Draft Red Herring Prospectus is not audited and does not necessarily indicate our future earnings. Our order book should not be considered in isolation or as a substitute for performance measures. Our order book and the new projects that we have and will continue to bid for in the future will have an effect on the revenues we will earn in the future. In addition, our project implementation schedule may vary due to various factors that may be beyond our control, including, among others, the availability of raw materials and the timely delivery and execution of the order. These depend on various factors such as the value of the project, the timeline for completion and payments to be made as per the agreed timelines. See ***“Risk Factors - Orders in our order book may be delayed, modified or cancelled, which may have an adverse impact on our business, results of operations and cash flows. Our past as well as our existing order book and our growth rate may not be indicative of the number of orders we will receive or our growth in the future”*** on page 36.

### Relationship with key customers

We are dependent on certain key customers for our business. The table below provides details of our revenue from our largest customer, top five customers and top 10 customers compared to our revenue from operations for Fiscals 2021, 2022 and 2023 and the nine months ended December 31, 2023:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
Largest customer	987.41	14.08	1,473.44	19.83	2,623.60	18.37	2,323.45	11.52
Top 5 customers	3,325.61	47.41	3,736.32	50.30	8,185.86	57.30	10,014.08	49.64
Top 10 customers	4,526.03	64.52	4,918.01	66.20	10,794.63	75.56	15,049.48	74.61

The identity of our 10 largest customers and our largest customer varies between fiscal years and periods. Since we are dependent on certain key customers for a significant portion of our revenue, the loss of any one or more of such key customers for any reason (including due to loss of contracts or failure to negotiate acceptable terms in contract renewal negotiations, disputes with customers, adverse change in the financial condition of such customers, including due to possible bankruptcy or liquidation or other financial hardship, merger or decline in their sales, reduced or delayed customer requirements, plant shutdowns, labor strikes or other work stoppages) could have an adverse effect on our business, results of operations and financial condition. Customers in our markets may consolidate and grow in a manner that could affect their relationship with us. For instance, if one of our customers is acquired by any other company, its management may get reshuffled which may affect our relationship with such customer, and we may not be able to retain any favorable terms that we agreed to in the past and may even lose that acquired customer's business.

In addition to these factors, these key customers may also replace us with our competitors or replace their existing products with alternative products which we do not supply or could refuse to renew existing arrangements on terms acceptable to us or at all. For details on our contracts with customers, see ***“Risk Factors – Certain of our agreements with our key customers have onerous terms which could result in termination if breached which in turn could have a material adverse effect on our business, financial condition, results of operations and cash flows”*** on page 37. In addition, as we generally have short to medium term arrangements ranging from two months to three years including long term agreements for the supply of our products to our customers there can be no assurance that our significant customers in the past will continue to place similar orders with us in the future.

While none of our customers has terminated their arrangements with us in the past three Fiscals and the nine months ended December 31, 2023, there can be no assurance that we will be able to maintain our existing volume of business with these key customers or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers. In the event of our failure to retain one or more of our key customers, it will have an adverse effect on our financial performance and result of operations.

### Competition

As a solar module manufacturer in India, we compete with other Indian solar module manufacturers. For instance, 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. While we believe we are well-positioned to compete with these companies given our strategy of backward integration into wafers and ingots, while at the same time offering a complete range of solar cells and solar modules across India and increasingly in international markets, competition in the solar manufacturing industry is likely to further intensify in view of the favorable regulatory impetus. We may also need to evolve our offerings from time to time and to this end, we are moving towards the production of solar cells with TOPCon technology, a process that uses n-type cells capable of reaching efficiencies between 24.5% to 25.2%. (*Source: F&S Report*) We are committed to maintaining our production at the forefront of solar technology and continuing to meet the market's developing needs by enhancing the efficiency and performance of our solar cells. Within Fiscal 2025, we plan to commission a new 1,000 MW capacity production line for TOPCon solar cells in Unit II.

With over 29 years of operating history in the solar energy space and the quality of our products, our product development capability and our range of solar cells and solar modules, we aim to compete effectively with our industry peers. For further information on the competition we face in the markets in which we operate, see “**Risk Factors – We face intense competition in our markets, and we may lack sufficient financial or other resources to maintain or improve our competitive position**” and “**Industry Overview**” on pages 58 and 152, respectively.

Increased competition will likely impact pricing of our products, margins and our market share in India and for export sales from India.

### MATERIAL ACCOUNTING POLICIES

The restated consolidated financial information of the Group and its associates comprise the restated consolidated statement of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statements of changes in equity and the restated consolidated statements of cash flows for the nine month period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the summary of material accounting policies and explanatory notes (collectively, the “**Restated Consolidated Financial Information**”).

The Restated Consolidated Financial Information has been prepared by the management of the Group for the purpose of inclusion in the Draft Red Herring Prospectus (the “**DRHP**”) to be filed with the Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited 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, as amended (the “**Act**”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended; and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended.

The Restated Consolidated Financial Information has been compiled from:

- a) the audited consolidated interim financial statements of the Group and its associates as at and for the nine month period ended December 31, 2023 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 “Interim Financial Reporting”, specified under section 133 of the Act and other accounting principles generally accepted in India (the “**Special Purpose Consolidated Interim Ind AS Financial Statements**”), which have been approved by the Board of Directors at their meeting held on March 14, 2024.
- b) the audited consolidated financial statements of the Group and its associates as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with the Ind AS specified under Section 133 of the Act read with the 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 meeting held on September 29, 2023, December 22, 2022 and December 21, 2021 respectively. The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of Special Purpose Consolidated Interim Ind AS Financial Statements.

The Restated Consolidated Financial Information:

- a) has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine-month period ended December 31, 2023;
- b) does not require any adjustment for modification as there is no modification in the underlying audit report. There is an item relating to emphasis of matter (refer to subsequent paragraph), which does not require any adjustment to the Restated Consolidated Financial Information.

The auditor's report dated December 21, 2021 on the Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2021 includes the following emphasis of matter paragraph: (as referred to in Note 29 to the Restated Consolidated Financial Information)

*"We draw attention to Note 26 of the consolidated Ind AS financial statements wherein certain non-compliances with ESI and PF Acts have been reported with respect to a subsidiary audited by other auditor. The auditors of such a subsidiary company have reported an Emphasis of Matter in this regard in their report of the said subsidiary company.*

*Our opinion is not modified in respect of above matter."*

### **Functional and presentation currency**

All amounts have been presented in millions unless otherwise stated. Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the "**functional currency**"). The Restated Consolidated Financial Information is presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

### **Principles of Consolidation**

#### **Subsidiary**

The Restated Consolidated Financial Information comprises the financial statements of the Company and its subsidiaries for the nine month period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Any gain/loss on acquisition or disposal of a subsidiary are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

The Group combines the restated financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

### **Associates**

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e., the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post-acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The restated statement of profit and loss includes the Group's share of the results of the operations of the investee.

### **Basis of Measurement**

The Restated Consolidated Financial Information has been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/ liabilities and share based payments that are measured at fair value as required by relevant Ind AS.

- (i) Certain financial assets and liabilities measured at fair value (refer to the accounting policy on financial instruments);
- (ii) Asset classified as held for sale

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities:

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Group classifies all other liabilities as non-current.

### **Use of estimates**

In preparing these financial statements, our management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

### **Critical estimates and judgements**

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included below:

#### **(i) Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the management for share based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37 to the Restated Consolidated Financial Information.

#### **(ii) Taxation**

Deferred tax, subject to the consideration of prudence, is recognized on temporary differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

#### **(iii) Defined employee benefit plans (Gratuity)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

#### **(iv) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (“DCF”) model. The inputs to these models are taken from observable markets where

possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

(vi) Impairment of investments

The Group reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(vii) Expected credit losses

The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix.

(viii) Inventories

Inventories are stated at the lower of cost and net realizable value. In estimating the net realizable value of inventories, the Group makes an estimate of future selling prices and costs necessary to make the sale.

## **Summary of material accounting policies**

### **Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an 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 restated consolidated statement of profit and loss. An impairment loss recognized for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

If an item in the financial statements of a company are treated differently pursuant to an order made by a court or tribunal, as compared to the treatment required by the relevant accounting standards, the accounting treatment of a transaction as required by the order of the court or tribunal (or other similar authority) overrides the accounting treatment that would otherwise be required to be followed in respect of the transaction and it is mandatory for the company concerned to follow the treatment as per the order of the court or tribunal and accordingly, net gain/loss on transfer of assets pertaining demerged business of subsidiary was adjusted against retained earnings of the company and similar accounting treatment is considered by the Group for the purpose of consolidation.

#### **Foreign currency transactions and balances:**

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at the fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction.

#### **Fair value measurement:**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### Subsequent measurement

For purposes of subsequent measurement, a 'financial asset' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the restated consolidated statement of profit and loss.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (that is, removed from the Group's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - (i) the Group has transferred substantially all the risks and rewards of the asset, or
  - (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### Impairment of financial assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments and are measured at amortized cost, for example, loans, deposits and bank balances.
- b) Trade receivables that result from transactions that are within the scope of Ind AS 115.



The Group follows ‘simplified approach’ for recognition of impairment loss. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL 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 entity expects to receive (that is, all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

### **Investments in equity shares and preference shares of subsidiaries and associates**

The Group accounts for its investments in equity shares of subsidiaries and associates at cost less accumulated impairment losses (if any) in its consolidated financial statements. Investment in preference shares of subsidiaries, associates and joint ventures are also accounted at cost less accumulated impairment losses if the issuer classifies these instruments as equity instruments.

### **Investments in other entities**

All other investments are measured at fair value, with value changes recognized in the statement of consolidated profit and loss, except for those investments for which the Group has elected to present the value changes in “other comprehensive income”. However, dividend on such equity investments are recognized in the statement of consolidated profit and loss when the Group’s right to receive payment is established.

### **Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (“FVTPL”), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in other comprehensive income (“OCI”). These gains / losses are not subsequently transferred to the restated consolidated statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the restated consolidated statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in restated consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the restated consolidated statement of profit and loss.

The Group enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled within 12 months. The economic substance of the transaction is determined to be financing in nature and these are recognized as current borrowings. Interest expense on these are recognized in the finance cost. Payments made by banks and financial institutions to the suppliers are treated as borrowings and settlement of dues to suppliers by the Group is treated as an operating cash outflow reflecting the substance of the payment. Previous year numbers have been reclassified as necessary.

### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the restated consolidated statement of profit and loss.

### **Reclassification of financial assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group’s senior management determines change in the business model as a result of external or internal changes which are significant to the Group’s operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **Derivative instruments**

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative

contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated statement of profit and loss.

Changes in the fair value of derivative contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognized in the statement of profit and loss. The changes in fair value of such derivative contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognized in the restated consolidated statement of profit and loss.

### **Property, plant and equipment**

#### (i) Recognition and measurement

Items of property, plant and equipment and investment property are measured at cost which includes capitalized borrowing cost less accumulated depreciation and accumulated impairment losses if any, except for freehold land, which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

#### (ii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the restated consolidated statement of profit and loss for the period during which such expenses are incurred.

#### (iii) Depreciation

(a) Assets such as freehold land are not depreciated.

(b) Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value using the straight-line method and recognized in restated consolidated statement of profit and loss. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life. The useful life of the items of property, plant and equipment estimated by the management for the current and comparative period are in line with the useful life as per Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

#### (iv) Gain and loss on disposal of item of property, plant and equipment

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in restated consolidated statement of profit and loss. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the restated consolidated statement of profit and loss, when the asset is derecognized.

#### (v) Residual values

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

### **Investment Property**

Investment properties held to earn rentals or for capital appreciation or both are stated in the restated consolidated

balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Group, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. All other repairs and maintenance costs are recognized in the restated consolidated statement of profit and loss.

Depreciation is charged on a straight-line basis over their estimated useful lives. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the restated consolidated statement of profit and loss. Transfer to, or from, investment property is at the carrying amount of the property.

### **Intangible assets**

#### **(i) Recognition and measurement**

Costs relating to software, which is acquired, are capitalized and amortized on a straight-line basis over their estimated useful lives in line with Companies Act, 2013.

#### **(ii) Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases future economic benefits embodied in the specific asset to which it relates. All other expenditure are charged to the restated consolidated statement of profit and loss for the period during which such expenses are incurred.

#### **(iii) Useful life and residual values are reviewed at the end of each financial year.**

### **Inventories**

Inventories are valued at lower of cost and net realizable value. Raw Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Stores and spares are valued at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognized in the restated consolidated statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group

estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior periods/ years. Such reversal is recognized in the restated consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### **Employee benefits**

#### **(i) Short term employee benefits**

Employee benefits payable wholly within 12 months of receiving services are classified as short-term employee benefits. These benefits include salary and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by the employees.

#### **(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified obligations towards an employee provident fund and employee state insurance to a Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The group's contributions are recognized as an expense in the restated consolidated statement of profit and loss during the period in which the employee renders the related service.

#### **(iii) Defined benefit plans**

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of the Group's obligation under the plan is performed periodically by a qualified actuary using the projected unit credit method.

The discount rates used for determining the present value of the obligation under a defined benefit plan are based on the market yields on Government securities as at the consolidated balance sheet date. The Group's gratuity scheme is administered by Life Insurance Corporation of India.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in the benefit that related to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the restated consolidated statement of profit and loss. The Group recognizes gains or losses on the settlement of a defined benefit plan when the settlement occurs.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified in the restated consolidated statement of profit and loss in subsequent periods.

#### **(iv) Compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize in future service periods or receive cash compensation on termination of employment. Since the employee has an unconditional right to avail the leave, the benefit is classified as a short-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

### **Provisions, Contingent Liabilities, Contingent Assets and Commitments**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as

a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the restated consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized until the realization of the income is virtually certain.

### **Warranty**

Provision is estimated for an expected warranty claim in respect of products sold during the year based on past experience regarding the defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over the next 12 months which is as per warranty terms.

### **Share based payments**

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

### **Equity settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black Scholes valuation model.

That cost is recognized, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

### **Cash and cash equivalents**

Cash and cash equivalents in the consolidated restated 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 an insignificant risk of changes in value.

### **Cash flow statement**

Consolidated cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The consolidated cash flows from operating, investing and financing activities of the Group are segregated.

Certain arrangements entered with financiers have been classified as borrowings by the Group. The Group presents cash outflows to settle the liability arising from financing activities in its statement of cash flows.

### **Revenue Recognition**

Revenue from contracts with customers is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. When a performance obligation is satisfied, the revenue is measured at the transaction price which is consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e., the Group is a principal) or to arrange for the other party to provide those goods or services (i.e., the Group is an agent). When the Group considers itself as a principal and satisfies its performance obligation in a given arrangement, the Group recognizes revenue in the gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. When the Group considers itself as an agent and satisfies its performance obligation in a given arrangement, the Group recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services. The Group's fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party. The Group derives revenues primarily from the sale of solar modules, solar cells, solar accessories and construction/project related activity.

The following is a summary of material accounting policies relating to revenue recognition.

### **Revenue from sale of goods**

The Group recognizes revenue for the supply of goods to customers against orders received. The majority of contracts that the Group enters into relate to sales orders containing single performance obligations for the delivery of solar modules, solar cells, solar accessories and silicon wafers as per Ind AS 115. Product revenue is recognized when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions of each customer arrangement.

Revenue from sale of power is recognized net of cash discount, rebate, etc. when the power is supplied as it best depicts the value to the customer and complete satisfaction of performance obligation.

### **Revenue from construction / project-related activity**

Contract revenue is recognized over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognized at the allocable transaction price which represents the amount of consideration to which the group expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party and is adjusted for variable considerations.

### **Contract balances**

#### **(i) Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

#### **(ii) Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### **(iii) Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to a 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 recognized for the earned consideration that is conditional.

### **Interest income**

For all debt financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in other income in the restated consolidated statement of profit and loss.

## **Dividends**

Revenue is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

## **Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they intend to compensate and are presented as other income.

Government grants relating to assets which are received subsequent to the purchase of assets are treated as deferred income under non-current liabilities and credited to restated consolidated statement of profit and loss on straight-line basis over the expected remaining useful life of the related assets under other income. Grants received in the form of rebate or exemptions or deferment of certain duties at time of purchase of asset is presented as a reduction to the carrying amount of the related asset. In case of non-monetary grant, the fair value of the non-monetary asset is assessed and both grant and asset are accounted for at that fair value.

Export incentives under various schemes are recognized as income when the right to receive such entitlements/credit as per the terms of the respective schemes is established and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## **Leases**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. 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 determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

### **Group as a lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are amortized from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.



Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

### **Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### **Income tax**

#### **Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

#### **Deferred tax**

Deferred tax is recognized 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 under Income-tax Act, 1961.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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.

### **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **Treasury shares**

The Group has created an Employee Welfare Trust – PEL ESOP Trust (“**Trust**”) for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share-based payment to its employees. The Trust purchases shares of the Company out of funds borrowed from the Company. The Company treats the Trust as its extension and shares held by the Trust are treated as treasury shares. Own equity instruments (treasury shares) are recognized at cost and deducted from equity. Profit on sale of treasury shares by the Trust is recognized in share based payment reserve.

## **Earnings per share**

### (i) Basic earnings per share

Basic Earnings Per Share (“**EPS**”) is computed by dividing the net profit attributable to the equity shareholders 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.

### (ii) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

## **Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through continuous use and sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortized while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from other assets in the balance sheet as net of liabilities of a disposal group classified as held for sale.

## **Recent pronouncements**

The Ministry of Corporate Affairs (“**MCA**”) notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, the MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

**Ind AS 12 – Income Taxes** The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group has evaluated and the amendment and there is no impact on its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors** The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

## **PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS**

### **Income**

Our total income comprises (i) revenue from operations, and (ii) other income.

### **Revenue from operations**

Revenue from operations comprises (i) revenue from sale of solar cells, modules; (ii) revenue from trading of solar cells, modules, accessories and silicon wafers; (iii) revenue from power supply (iv) income from contracts

primarily related to construction and project related activity and engineering and service fees provided for our EPC projects; and (iv) other operating revenue including job work and sale of scrap.

### **Other income**

Other income includes (i) interest income; (ii) interest received on financial assets carried at amortized 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) fair value gain on financial assets measured at fair value to profit or loss; (viii) rental income; and (ix) miscellaneous receipts.

### **Expenses**

Our expenses comprises (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 engineering, procurement and construction project expenses; (v) employee benefits expense; (vi) sales, administration and other expenses; (vii) finance costs; and (viii) depreciation and amortization expenses.

### **Costs of materials consumed**

Cost of materials consumed consists of materials used in the manufacture of solar modules and EPC projects, primarily including silicon wafers, solar cells, tempered glass, ethylene-vinyl acetate (“EVA”), back sheets, aluminum profiles, silver paste, aluminum paste and junction boxes.

### **Purchases of stock-in-trade**

Purchases of stock-in-trade comprises goods purchased for trading activity, including modules and materials used in the manufacture of solar modules.

### **Contract execution expense**

Contract execution expenses include expenses incurred on EPC projects, which comprises stores and spares consumed, electricity charges, labor charges, job work changes, repairs and maintenance expenses of machinery and building.

### **Employee benefits expense**

Employee benefits expenses primarily comprise salaries and incentives, directors remuneration, employee ESOP expenses, contribution to provident and other funds and staff welfare expenses.

### **Other expenses**

Other expenses include

(i) power and fuel, (ii) manpower expenses, (iii) carriage outwards, (iv) provision for warranty (net), (v) provision for doubtful debts, (vi) foreign exchange loss (net), (vii) legal and professional fees, (viii) rates and taxes, (ix) advertising expenses, (x) sales commission, (xi) insurance, (xii) annual maintenance charges, (xiii) repairs and maintenance, (xiv) rent, (xv) audit fees, (xvi) bad debts / assets written-off, (xvii) corporate social responsibility expenditure expense, (xviii) loss on sale of property, plant and equipment, (xix) provision for impairment of investment and (xx) miscellaneous expenses.

### **Finance costs**

Finance cost includes (i) interest expense on terms loans, bank overdraft and demand loans and lease liability (net), (ii) unwinding of discount on retention money, (iii) bank charges, (iv) interest on compulsory convertible debentures and (v) processing charges.

### **Depreciation and amortization expenses**

Depreciation and amortization expenses comprises (i) depreciation on property, plant and equipment, (ii) amortization on investment property, (iii) amortization of intangible assets and (iv) amortization of right to use assets.

## **RESULTS OF OPERATIONS BASED ON OUR RESTATED CONSOLIDATED FINANCIAL INFORMATION**

The following table sets forth our selected restated financial data from our restated consolidated statement of profit

and loss for Fiscals 2021, 2022, 2023, and the nine months ended December 31, 2023, the components of which are also expressed as a percentage of restated total income for such periods:

Particulars	2021		Fiscal 2022		2023		Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)
<b>Income</b>								
Revenue from operations	7,014.58	95.28	7,428.71	96.85	14,285.34	97.63	20,172.06	99.23
Other income	347.77	4.72	241.62	3.15	346.78	2.37	155.56	0.77
<b>Total income</b>	<b>7,362.35</b>	<b>100.00</b>	<b>7,670.33</b>	<b>100.00</b>	<b>14,632.12</b>	<b>100.00</b>	<b>20,327.62</b>	<b>100.00</b>
<b>Expenses</b>								
Cost of material consumed	4,768.23	64.77	3,987.20	51.98	11,105.19	75.90	15,660.27	77.04
Purchase of stock-in-trade	519.68	7.06	2,281.31	29.74	1,568.23	10.72	1,291.44	6.35
Changes in inventories of finished goods and work-in-progress	(80.83)	(1.10)	(397.93)	(5.19)	(934.07)	(6.38)	(1,867.17)	(9.19)
Contract execution expenses	576.92	7.84	316.12	4.12	246.09	1.68	408.57	2.01
Employee benefits expense	196.73	2.67	246.38	3.21	448.09	3.06	401.69	1.98
Finance costs	216.56	2.94	430.03	5.61	686.27	4.69	759.93	3.74
Depreciation and amortization expense	116.41	1.58	276.01	3.60	532.33	3.64	590.46	2.90
Other expenses	496.96	6.75	699.87	9.12	1,069.78	7.31	1,344.25	6.61
<b>Total Expenses</b>	<b>6,810.66</b>	<b>92.51</b>	<b>7,838.99</b>	<b>102.20</b>	<b>14,721.91</b>	<b>100.61</b>	<b>18,589.44</b>	<b>91.45</b>
Restated profit / (loss) before tax and share of profit of associates	551.69	7.49	(168.66)	(2.20)	(89.79)	(0.61)	1,738.18	8.55
Share of profit of associates	6.50	0.09	11.75	0.15	12.19	0.08	9.87	0.05
Restated profit / (loss) before tax	558.19	7.58	(156.91)	(2.05)	(77.60)	(0.53)	1,748.05	8.60
<b>Tax expenses:</b>								
(a) Current tax	179.65	2.44	95.04	1.24	39.95	0.27	173.43	0.85
(b) Deferred tax charge / (credit)	120.47	1.64	(107.87)	(1.41)	15.81	0.11	300.60	1.48
<b>Total tax expense</b>	<b>300.12</b>	<b>4.08</b>	<b>(12.83)</b>	<b>(0.17)</b>	<b>55.76</b>	<b>0.38</b>	<b>474.03</b>	<b>2.33</b>
Restated profit / (loss) for the period / year	258.07	3.51	(144.08)	(1.88)	(133.36)	(0.91)	1,274.02	6.27

### Nine months ended December 31, 2023

During the nine months ended December 31, 2023, we increased our installed capacity by inducting new production lines for solar cells and solar modules with an annual installed capacity of 1.25 GW and 1.60 GW, respectively, at Unit III. We sold 603.79 MW of solar modules and 276.32 MW of solar cells during the nine months ended December 31, 2023.

**Total income.** Total income was ₹20,327.62 million for the nine months ended December 31, 2023, comprising revenue from operations and other income.

**Revenue from operations.** Revenue from operations was ₹20,172.06 million for the nine months ended December 31, 2023, primarily comprising income from the sale of manufactured goods, income from the sale of traded goods, income from power supply, income from contracts and other operating revenue, as set forth below:

Revenue from operations	For the nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)
Income from sale of manufactured goods		
Sale of solar cells	4,037.30	20.01
Sale of solar modules	13,651.70	67.68
	17,689.00	87.69
Income from sale of traded goods		
Sale of solar modules	653.43	3.24
Sale of solar cells	576.50	2.86
Sale of solar accessories and silicon wafers	155.42	0.77
	1,385.35	6.87
Revenue from power supply	29.38	0.15
Income from contracts		
Construction and project-related activity	1,034.13	5.13
Engineering and service fees	0.49	0.00
	1,034.62	5.13
Other operating revenue		
Job work services	14.35	0.07
Sale of scrap	19.36	0.10
	33.71	0.17
<b>Total</b>	<b>20,172.06</b>	<b>100.00</b>

*Disaggregation of revenue.* For the nine months ended December 31, 2023, revenue from operations within India was ₹16,727.13 million and represented 82.92% of our revenue from operations, and revenue from operations outside India was ₹3,444.93 million and represented 17.08% of our revenue from operations. The details of sales to customer segments within India and outside India for the nine months ended December 31, 2023 are set forth below:

Particulars	Nine months ended December 31, 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)
Domestic	16,727.13	82.92
- IPP	7,746.58	38.40
- OEM	2,849.59	14.13
- Government	1,452.96	7.20
- Others	4,678.01	23.19
Export	3,444.93	17.08
<b>Total</b>	<b>20,172.06</b>	<b>100.00</b>

Details of sales volume for the nine months ended December 31, 2023 are set forth below:

Volume of Sales	Nine months ended December 31, 2023
Sale of solar cells	276.32 MW
Sale of solar modules	603.79 MW

*Other income.* Other income was ₹155.56 million for the nine months ended December 31, 2023, primarily comprising interest income on unwinding of discount of deposits of ₹57.01 million, interest income of ₹47.59 million, miscellaneous income of ₹21.19 million and income from a government grant of ₹20.78 million.

*Total expenses.* Total expenses were ₹18,589.44 million for the nine months ended December 31, 2023, comprising cost of materials consumed, purchase of stock-in-trade, changes in inventories of work-in-progress, contract execution expenses, employee benefits expense, finance costs, depreciation and amortization expense and other expenses.

*Cost of materials consumed.* Cost of materials consumed was ₹15,660.27 million for the nine months ended December 31, 2023, representing 84.24% of our total expenses. For the nine months ended December 31, 2023, we had an opening inventory of ₹4,733.79 million and a closing inventory of ₹4,499.27 million. The cost of

materials consumed primarily comprised the cost of raw materials including silicon wafers, silicon cells, tempered glass, EVA, backsheets, aluminum profiles, silver paste and aluminum paste.

Purchases of stock-in-trade. Purchases of stock-in-trade was ₹1,291.44 million for the nine months ended December 31, 2023, representing 6.95% of our total expenses.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress was ₹(1,867.17) million for the nine months ended December 31, 2023, representing 10.04% of our total expenses. Changes in inventories of finished goods and work-in-progress comprised an opening inventory of ₹1,485.95 million and a closing inventory of ₹3,343.45 million for finished goods, and an opening inventory of ₹36.12 million and a closing inventory of ₹45.79 million for work-in-progress. The details of solar cells and solar modules production for the nine months ended December 31, 2023 are set forth below:

Production of solar cells & modules	Nine months ended December 31, 2023
Solar cells	489.60 MW
Solar modules	641.43 MW

Contract execution expenses. Contract execution expenses was ₹408.57 million for the nine months ended December 31, 2023, representing 2.20% of our total expenses. This primarily comprised erection, installation and commission charges of ₹210.03 million, contract expenses of ₹122.81 million and project spares and consumables expense of ₹56.04 million.

Employee benefit expense. Employee benefit expense was ₹401.69 million for the nine months ended December 31, 2023, representing 2.16% of our total expenses. This primarily comprised salaries, wages and bonus of ₹303.96 million, staff welfare expenses of ₹29.87 million, directors' remuneration of ₹21.49 million, contribution to provident and other funds of ₹17.07 million, and share-based payment expense of ₹15.73 million.

Finance costs. Finance costs were ₹759.93 million for the nine months ended December 31, 2023, representing 4.09% of our total expenses. This primarily comprised interest expenses on term loans of ₹346.48 million, bank charges of ₹213.03 million, interest expense on bank overdraft and demand loans of ₹160.53 million, and interest on compulsory convertible debentures of ₹17.88 million.

Depreciation and amortization expenses. Depreciation and amortization expenses were ₹590.46 million for the nine months ended December 31, 2023, representing 3.18% of our total expenses. This primarily comprised depreciation expense of property, plant and equipment at our facilities of ₹577.28 million, amortization of right-of-use assets of ₹8.29 million and amortization of intangible assets of ₹4.43 million.

Other expenses. Other expenses were ₹1,344.25 million for the nine months ended December 31, 2023, representing 7.23% of our total expenses. This primarily comprised power and fuel expenses of ₹455.29 million, manpower expenses of ₹236.32 million, carriage outwards expenses of ₹143.43 million, provision for warranty expenses of ₹85.00 million, provision for doubtful debts of ₹66.38 million, sales commission of ₹50.51 million, foreign exchange loss (net) of ₹39.45 million and miscellaneous expenses of ₹76.87 million.

Tax expenses. Our total tax expense was ₹474.03 million for the nine months ended December 31, 2023, of which current tax expense was ₹173.43 million and deferred tax expense was ₹300.60 million. Our effective tax rate (which represents income tax expense expressed as a percentage of profit before tax for the relevant period) was 27.12% for the nine months ended December 31, 2023.

Restated profit for the period / year. As a result of the foregoing, our restated profit for the nine months ended December 31, 2023 was ₹1,274.02 million.

### ***Fiscal 2023 Compared to Fiscal 2022***

Total income. Total income increased substantially by 90.76% from ₹7,670.33 million for Fiscal 2022 to ₹14,632.12 million for Fiscal 2023 due to significant increases in revenue from operations and in other income.

Revenue from operations. Revenue from operations increased significantly by 92.30% from ₹7,428.71 million for Fiscal 2022 to ₹14,285.34 million for Fiscal 2023, primarily due to increases in income from sale of manufactured

goods, income from sale of power supply and other operating revenue. This increase was partially offset by decreases in income from sale of traded goods and income from contracts, as set forth below:

Revenue from operations	Fiscal 2022	Fiscal 2023	Increase / decrease
	(₹ million)		(%)
<b>Income from sale of manufactured goods</b>			
Sale of solar cells	336.01	1,856.26	452.44
Sale of solar modules	2,843.00	9,566.51	236.49
	3,179.01	11,422.77	259.32
<b>Income from sale of traded goods</b>			
Sale of solar modules	—	549.31	100.00
Sale of solar cells	744.45	768.03	3.17
Sale of solar accessories and silicon wafers	1,634.57	352.38	(78.44)
	2,379.02	1,669.72	(29.81)
<b>Revenue from power supply</b>			
	40.47	42.87	5.94
<b>Income from contracts</b>			
Construction and project-related activity	1,812.80	1,103.74	(39.11)
Engineering and service fees	17.41	34.70	99.33
	1,830.21	1,138.44	(37.80)
<b>Other operating revenue</b>			
Job work services	—	4.49	100.00
Sale of scrap	—	7.05	100.00
	—	11.54	100.00
<b>Total</b>	<b>7,428.71</b>	<b>14,285.34</b>	<b>92.30</b>

Details of volume of solar cells and solar modules sold in Fiscal 2022 and Fiscal 2023 are as set forth below:

Volume of goods sold	Fiscal 2023	Fiscal 2022	Increase / decrease (in %)
Sale of solar cells	55.69 MW	12.01 MW	363.07
Sale of solar modules	469.08 MW	224.17 MW	109.25

*Income from sale of manufactured goods.* Income from sale of manufactured goods increased substantially by 259.32% from ₹3,179.01 million for Fiscal 2022 to ₹11,422.77 million for Fiscal 2023, primarily due to a significant increase in the sale of solar cells that was attributable to (i) an increase in sales volume due to additional new customers and increase in demand from existing customers, (ii) commencement of production of our new solar cell line in Unit II, with a production capacity of 250 MW to produce solar cells, and (iii) a strategic shift in the product mix, placing a greater emphasis on monocrystalline PERC solar cells, based on the latest technology and current market trends. The increase was also driven by an increase in the sale of solar modules as a result of (i) increased demand and increased sales volume across both existing and new customer segments, (ii) commencement of production of our new solar module line in Unit II, with a production capacity of 150 MW for the manufacture of monocrystalline PERC solar modules, and (iii) a shift in the product mix prioritizing the sale of monocrystalline PERC solar modules over polycrystalline solar modules.

*Income from sale of traded goods.* Income from sale of traded goods decreased by 29.81% from ₹2,379.02 million for Fiscal 2022 to ₹1,669.72 million for Fiscal 2023, primarily due to a significant decrease in the sale of purchased solar accessories and silicon wafers that was attributable to the Company's strategic shift towards prioritizing the manufacturing of solar cells and modules, influenced by the identification of more favorable prospects within the market landscape. The decrease was partially offset by an increase in sale of solar cells and solar modules, driven by increased demand.

*Revenue from power supply.* Revenue from power supply increased by 5.94% from ₹40.47 million for Fiscal 2022 to ₹42.87 million for Fiscal 2023, on account of increased demand and increased sales volume.

*Income from contracts.* Income from contracts decreased by 37.80% from ₹1,830.21 million for Fiscal 2022 to ₹1,138.44 million for Fiscal 2023, primarily due to a decrease in income from construction and project related activity, attributable to a strategic shift to prioritize the manufacture of solar cells and modules and leverage

additional production capabilities within our manufacturing facilities. The decrease was offset by an increase in the engineering and service fee income on account of services provided to new customers.

*Other operating revenue.* Other operating revenue increased by 100.00% to ₹11.54 million for Fiscal 2023, from having no such income in Fiscal 2022. It was primarily due to an increase in job work services that was attributable to provision of services on an as-needed basis to a select number of customers, and an increase in sale of scrap revenue primarily due to an increase in scrap sales attributable to an overall increase in production levels across our manufacturing facilities to meet the increased demand for our products.

*Disaggregation of revenue.* Revenue from operations within India increased by 93.06% from ₹7,360.59 million for Fiscal 2022 to ₹14,210.38 million for Fiscal 2023, primarily due to (i) the establishment of a new manufacturing facility in Unit II to meet the demand for solar cells and solar modules in the domestic market, and (ii) an increase in the demand and sales volume of our products to existing and new customers pursuant to the stabilization of our product quality based on improved efficiency in the production process for an optimal and consistent output of our products. Revenue from operations outside India increased by 10.04% from ₹68.12 million for Fiscal 2022 to ₹74.96 million for Fiscal 2023, primarily due to an increase in the sales volume of our products to international customers. Details of sales to customer segments within India and outside India for Fiscal 2022 and Fiscal 2023 are as set forth below:

Particulars	Fiscal 2022		Fiscal 2023	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
<b>Domestic</b>	<b>7,360.59</b>	<b>99.08</b>	<b>14,210.38</b>	<b>99.48</b>
- IPP	1,792.86	24.13	3,166.44	22.17
- OEM	2,337.27	31.46	5,825.20	40.78
- Government	1,692.14	22.78	1,727.28	12.09
- Others	1,538.32	20.71	3,491.46	24.44
<b>Export</b>	<b>68.12</b>	<b>0.92</b>	<b>74.96</b>	<b>0.52</b>
<b>Total</b>	<b>7,428.71</b>	<b>100.00</b>	<b>14,285.34</b>	<b>100.00</b>

*Other income.* Other income increased by 43.52% from ₹241.62 million for Fiscal 2022 to ₹346.78 million for Fiscal 2023, primarily due to: (i) a 200.13% increase in income from government grants from ₹9.21 million for Fiscal 2022 to ₹27.65 million for Fiscal 2023, (ii) a 53.20% increase in interest income from ₹71.08 million for Fiscal 2022 to ₹108.89 million for Fiscal 2023, (iii) a 59.24% increase in profit on sale of investments from ₹9.18 million for Fiscal 2022 to ₹14.61 million for Fiscal 2023 and (iv) a 206.66% increase in miscellaneous income from ₹32.71 million for Fiscal 2022 to ₹100.30 million for Fiscal 2023.

The increase in other income was partially offset by: (i) a 100.00% decrease in bad debts recovered, for which provisions had been made in previous years on account of certain contractual obligations from ₹39.40 million for Fiscal 2022 to no such income for Fiscal 2023; (ii) a 100.00% decrease in dividend income from ₹4.27 million for Fiscal 2022 to no such income for Fiscal 2023; and (iii) a 6.92% decrease in income on unwinding of discount on deposits primarily due to a decrease in revenue from EPC projects from ₹12.09 million for Fiscal 2022 to ₹11.25 million for Fiscal 2023.

*Total expenses.* Total expenses increased significantly by 87.80% from ₹7,838.99 million for Fiscal 2022 to ₹14,721.91 million for Fiscal 2023, due to increases in cost of materials consumed, employee benefits expense, finance costs, depreciation and amortization expense and other expenses on account of a higher operating level. This increase was partially offset by changes in inventories of finished goods and work-in-progress, decreases in purchases of stock-in-trade and contract execution expenses.

*Cost of materials consumed.* Cost of materials consumed increased substantially by 178.52% from ₹3,987.20 million for Fiscal 2022 to ₹11,105.19 million for Fiscal 2023. For Fiscal 2022, we had an opening inventory of materials of ₹426.62 million and a closing inventory of materials of ₹1,549.50 million. For Fiscal 2023, we had an opening inventory of ₹1,549.50 million and a closing inventory of ₹4,733.79 million. This increase was attributable to an increase in the purchase of raw materials such as silicon wafers, silicon cells, tempered glass, EVA, backsheets, aluminum profiles, silver paste and aluminum paste from Fiscals 2022 to 2023 resulting from (i) an increase in the operating level of our existing capacities and the addition of a new production line for the



manufacture of solar cells and (ii) a shift in our product mix from polycrystalline to monocrystalline PERC which use different raw materials.

Purchases of stock-in-trade. Purchases of stock-in-trade decreased by 31.26% from ₹2,281.31 million for Fiscal 2022 to ₹1,568.23 million for Fiscal 2023, primarily due to a strategic shift in focus towards manufacture of solar cells and solar modules and a decrease in our trading activities.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress increased by 134.73% from ₹(397.93) million for Fiscal 2022 to ₹(934.07) million for Fiscal 2023. For Fiscal 2022, we had an opening inventory of finished goods of ₹118.49 million and a closing inventory of finished goods of ₹516.83 million. For Fiscal 2023, we had an opening inventory of finished goods of ₹516.83 million and a closing inventory of finished goods of ₹1,485.95 million. For Fiscal 2022, we had an opening inventory of work-in-progress goods of ₹71.58 million and a closing inventory of work-in-progress goods of ₹71.17 million. For Fiscal 2023, we had an opening inventory of work-in-progress goods of ₹71.17 million and a closing inventory of work-in-progress goods of ₹36.12 million. This increase is primarily attributable to the increase in the operating level capacities and efficient supply chain management. Details of production of solar cells and solar modules for Fiscal 2022 and Fiscal 2023 are as set forth below:

<b>Production of solar cells &amp; modules</b>	<b>Fiscal 2023</b>	<b>Fiscal 2022</b>	<b>Increase / decrease (in %)</b>
Solar cells	227.70 MW	110.30 MW	106.44
Solar modules	488.02 MW	233.93 MW	108.62

Contract execution expenses. Contract execution expenses decreased by 22.15% from ₹316.12 million for Fiscal 2022 to ₹246.09 million for Fiscal 2023, primarily due to a 74.59% decrease in other expenses from ₹7.08 million for Fiscal 2022 to ₹1.80 million for Fiscal 2023, a 74.53% decrease in project spares and consumables from ₹28.78 million for Fiscal 2022 to ₹7.33 million for Fiscal 2023 and a 24.86% decrease in erection, installation and commission charges from ₹185.95 million for Fiscal 2022 to ₹139.73 million for Fiscal 2023. These decreases were attributable to a corresponding reduction in our EPC business as we intended to strategically shift the product mix, placing a greater emphasis on the manufacturing of monocrystalline PERC solar cells, based on the latest technology and current market trends.

The decrease in contract execution expense was offset by a 3.09% increase in contract expense from ₹94.31 million for Fiscal 2022 to ₹97.23 million for Fiscal 2023 due to contract closure-related expenses.

Employee benefit expense. Employee benefit expense increased by 81.87% from ₹246.38 million for Fiscal 2022 to ₹448.09 million for Fiscal 2023, primarily due to: (i) a 101.99% increase in salaries, wages and bonus from ₹175.31 million for Fiscal 2022 to ₹354.11 million for Fiscal 2023, (ii) a 30.28% increase in contribution to provident and other funds from ₹17.44 million for Fiscal 2022 to ₹22.72 million for Fiscal 2023, (iii) a 405.99% increase in share-based payment expense from ₹2.47 million for Fiscal 2022 to ₹12.50 million for Fiscal 2023, and (iv) a 33.13% increase in staff welfare expenses from ₹18.32 million for Fiscal 2022 to ₹24.39 million for Fiscal 2023, all of which were mainly attributable to (i) increased hire of 350 employees and expansion of our operations and senior level recruitments to oversee these operations, (ii) compensation increment to employees, (iii) capitalization of employee cost related to the commissioning of our new facility in Unit II in Fiscal 2022 and (iv) issue of employee stock option plan options to employees.

Finance costs. Finance costs increased by 59.59% from ₹430.03 million for Fiscal 2022 to ₹686.27 million for Fiscal 2023, primarily due to: (i) a 34.20% increase in interest expense on term loans from ₹258.91 million for Fiscal 2022 to ₹347.45 million for Fiscal 2023; (ii) a 162.14% increase in interest expense on bank overdraft and demand loans from ₹43.41 million for Fiscal 2022 to ₹113.81 million for Fiscal 2023; (iii) a 82.36% increase in bank charges from ₹110.83 million for Fiscal 2022 to ₹202.12 million for Fiscal 2023; and (iv) a 198.54% increase in processing charges from ₹1.78 million for Fiscal 2022 to ₹5.33 million for Fiscal 2023. The increase is primarily due to (i) the expensing of charges related to the commissioning of new facilities for the full year, reflected in the profit and loss account, whereas in Fiscal 2022 these expenses were capitalized, and (ii) an increase in interest on bank overdraft, demand loans and bank charges in line with the expansion of our operations.

Depreciation and amortization expenses. Depreciation and amortization expenses increased by 92.87% from ₹276.01 million for Fiscal 2022 to ₹532.33 million for Fiscal 2023, primarily due to: (i) a 93.96% increase in depreciation expense of property, plant and equipment from ₹270.95 million for Fiscal 2022 to ₹525.54 million for Fiscal 2023; and (ii) a 74.78% increase in amortization of intangible assets from ₹1.84 million for Fiscal 2022

to ₹3.22 million for Fiscal 2023. The increase was attributable to the commissioning of a new production line in Fiscal 2023, as a result of which depreciation was charged to the profit and loss account.

Other expenses. Other expenses increased by 52.85% from ₹699.87 million for Fiscal 2022 to ₹1,069.78 million for Fiscal 2023, primarily due to increases in:

- Power and fuel expenses by 133.33% from ₹151.32 million for Fiscal 2022 to ₹353.06 million for Fiscal 2023, due to an increase in the tariff rate and overall increase in production;
- Manpower expenses by 78.84% from ₹107.22 million for Fiscal 2022 to ₹191.76 million for Fiscal 2023, due to increased production from the new manufacturing facility in Unit II and such costs being capitalized in Fiscal 2022 and partially in Fiscal 2023; and
- Foreign exchange loss by 222.25% from ₹61.97 million for Fiscal 2022 to ₹199.70 million for Fiscal 2023, due to an increase in imports in line with a corresponding increase of our operations.

These increases were partially offset by decreases in:

- Bad debts written off by 92.69% from ₹32.30 million for Fiscal 2022 to ₹2.36 million for Fiscal 2023, due to the effective management of trade receivables; and
- Repairs and maintenance expense by 58.25% from ₹22.28 million for Fiscal 2022 to ₹9.30 million for Fiscal 2023, due to a corresponding decrease in operation and maintenance income.

*Tax expenses.* Our total tax expense increased by 534.61% from ₹(12.83) million for Fiscal 2022 to ₹55.76 million for Fiscal 2023. For Fiscal 2022, we had a current tax expense of ₹95.04 million and a deferred tax credit of ₹(107.87) million. For Fiscal 2023, we had a current tax expense of ₹39.95 million and a deferred tax expense of ₹15.81 million. Our effective tax rate (which represents income tax expense expressed as a percentage of profit before tax for the relevant period) was 8.18% and -71.86% for Fiscals 2022 and 2023, respectively. The increase in tax expenses was primarily attributable to expenses that were disallowed under the Income Tax Act. The increase in tax expense was offset pursuant to a setoff of deferred tax liability to the extent of deferred tax assets in Fiscal 2023.

*Restated loss for the year.* As a result of the foregoing, our restated loss for the year decreased by 7.44% from ₹144.08 million for Fiscal 2022 to ₹133.36 million for Fiscal 2023.

### ***Fiscal 2022 Compared to Fiscal 2021***

*Total income.* Total income increased by 4.18% from ₹7,362.35 million for Fiscal 2021 to ₹7,670.33 million for Fiscal 2022, primarily due to an increase in revenue from operations.

Revenue from operations. Revenue from operations increased by 5.90% from ₹7,014.58 million for Fiscal 2021 to ₹7,428.71 million for Fiscal 2022, primarily due to increases in income from the sale of traded goods, income from sale of power supply, partially offset by decreases in income from the sale of manufactured goods and income from contracts, as set forth below:

<b>Revenue from operations</b>	<b>Fiscal 2021</b>	<b>Fiscal 2022</b>	<b>Increase / decrease</b>
	<b>(₹ million)</b>		<b>(%)</b>
<b>Income from sale of manufactured goods</b>			
Sale of solar cells	—	336.01	100.00
Sale of solar modules	3,327.67	2,843.00	(14.56)
	3,327.67	3,179.01	(4.47)
<b>Income from sale of traded goods</b>			
Sale of solar cells	61.64	744.45	1,107.75
Sale of solar accessories and silicon wafers	756.82	1,634.57	115.98
	818.46	2,379.02	190.67
<b>Revenue from power supply</b>			
	39.13	40.47	3.41
<b>Income from contracts</b>			

Revenue from operations	Fiscal 2021	Fiscal 2022	Increase / decrease
		(₹ million)	(%)
Construction and project-related activity	2,724.32	1,812.80	(33.46)
Engineering and service fees	105.00	17.41	(83.42)
	2,829.32	1,830.21	(35.31)
Total	7,014.58	7,428.71	5.90

*Income from sale of manufactured goods.* Income from sale of manufactured goods decreased by 4.47% from ₹3,327.67 million for Fiscal 2021 to ₹3,179.01 million for Fiscal 2022. This was primarily due to a decrease in the sale of solar modules attributable to lower demand for domestic solar modules in the domestic market due to an influx of low cost imported modules, in anticipation of an increase in basic customs duty to 40.00% from April 1, 2022. This decrease was offset by an increase in the sale of solar cells as a result of the commissioning of a new facility in Unit II for manufacturing solar cells, pursuant to which our Company sold 73.29 MW of solar cells in Fiscal 2022 as compared to nil sales in Fiscal 2021.

*Income from sale of traded goods.* Income from sale of traded goods increased significantly by 190.67% from ₹818.46 million for Fiscal 2021 to ₹2,379.02 million for Fiscal 2022, primarily due to a significant increase in the sale of purchased solar cells and solar accessories attributable to available trading opportunities.

*Revenue from power supply.* Revenue from power supply increased by 3.41% from ₹39.13 million for Fiscal 2021 to ₹40.47 million for Fiscal 2022, on account of increased demand and increased sales volume across both existing and new customer segments.

*Income from contracts.* Income from contracts decreased by 35.31% from ₹2,829.32 million for Fiscal 2021 to ₹1,830.21 million for Fiscal 2022. This was primarily due to a decrease in income from construction and project-related activity attributable to the Company's strategic shift in focus towards the manufacturing of solar cells and modules, intentionally scaling back its participation in EPC projects as we intended to strategically shift the product mix, placing a greater emphasis on monocrystalline PERC solar cells, based on the latest technology and current market trends. Additionally, the decrease was driven by a decrease in engineering and service fees income on account of a one-time service provided to a few customers during Fiscal 2021.

*Disaggregation of revenue.* Revenue from operations within India increased by 6.31% from ₹6,923.92 million for Fiscal 2021 to ₹7,360.59 million for Fiscal 2022, primarily due to available trading opportunities. Revenue from operations outside India decreased by 24.86% from ₹90.66 million for Fiscal 2021 to ₹68.12 million for Fiscal 2022. Details of sales to customer segments within India and outside India for Fiscal 2021 and Fiscal 2022 are as set forth below:

Particulars	Fiscal 2021		Fiscal 2022	
	Amount (₹ million)	Percentage of revenue from operations (%)	Amount (₹ million)	Percentage of revenue from operations (%)
<b>Domestic</b>	<b>6,923.92</b>	<b>98.71</b>	<b>7,360.59</b>	<b>99.08</b>
- IPP	1,205.33	17.18	1,792.86	24.13
- OEM	1,572.22	22.41	2,337.27	31.46
- Government	2,172.55	30.97	1,692.14	22.78
- Others	1,973.82	28.14	1,538.32	20.71
<b>Export</b>	<b>90.66</b>	<b>1.29</b>	<b>68.12</b>	<b>0.92</b>
<b>Total</b>	<b>7,014.58</b>	<b>100.00</b>	<b>7,428.71</b>	<b>100.00</b>

*Other income.* Other income decreased by 30.52% from ₹347.77 million for Fiscal 2021 to ₹241.62 million for Fiscal 2022, primarily due to: (i) a 80.06% decrease in dividend income from ₹21.43 million for Fiscal 2021 to ₹4.27 million for Fiscal 2022; (ii) a 59.76% decrease in income from bad debts recovered, for which provisions had been made in previous years, from ₹97.91 million for Fiscal 2021 to ₹39.40 million for Fiscal 2022; and (iii) a 32.45% decrease in miscellaneous income from ₹48.42 million for Fiscal 2021 to ₹32.71 million for Fiscal 2022.

The decrease in other income was partially offset by: (i) a 80.63% increase in interest income from ₹39.35 million for Fiscal 2021 to ₹71.08 million for Fiscal 2022; (ii) a 427.96% increase in profit from sale investments from

₹1.74 million for Fiscal 2021 to ₹9.18 million for Fiscal 2022; and (iii) a 342.66% increase in the unwinding of discount on deposits from ₹2.73 million in Fiscal 2021 to ₹12.09 million in Fiscal 2022.

*Total expenses.* Total expenses increased by 15.10% from ₹6,810.66 million for Fiscal 2021 to ₹7,838.99 million for Fiscal 2022, due to increases in purchases of stock-in-trade, changes in inventories of finished goods and work-in-progress, employee benefits expenses, finance costs, depreciation and amortization expenses and other expenses. The increase was partially offset by decreases in cost of materials consumed and contract execution expenses.

Cost of materials consumed. Cost of materials consumed decreased by 16.38% from ₹4,768.23 million for Fiscal 2021 to ₹3,987.20 million for Fiscal 2022. For Fiscal 2021, we had an opening inventory of materials of ₹462.77 million and a closing inventory of materials of ₹426.62 million. For Fiscal 2022, we had an opening inventory of ₹426.62 million and a closing inventory of ₹1,549.50 million. This decrease was attributable to new cell and module lines in Unit II capitalized in Fiscal 2022 and the corresponding decrease in sale of modules manufacturing.

Purchases of stock-in-trade. Purchases of stock-in-trade increased by 338.98% from ₹519.68 million for Fiscal 2021 to ₹2,281.31 million for Fiscal 2022, primarily due to trading opportunities available in both domestic and global markets.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress increased by 392.29% from ₹(80.83) million for Fiscal 2021 to ₹(397.93) million for Fiscal 2022. For Fiscal 2021, we had an opening inventory of finished goods of ₹51.88 million and a closing inventory of finished goods of ₹118.49 million. For Fiscal 2022, we had an opening inventory of finished goods of ₹118.49 million and a closing inventory of finished goods of ₹516.83 million. For Fiscal 2021, we had an opening inventory of work-in-progress goods of ₹57.36 million and a closing inventory of work-in-progress goods of ₹71.58 million. For Fiscal 2022, we had an opening inventory of work-in-progress goods of ₹71.58 million and a closing inventory of work-in-progress goods of ₹71.17 million. This increase is primarily due to excess production undertaken to ensure product stability and efficiency of machinery in Fiscal 2022.

Contract execution expenses. Contract execution expenses decreased by 45.21% from ₹576.92 million for Fiscal 2021 to ₹316.12 million for Fiscal 2022, primarily due to: (i) a 43.48% decrease in erection, installation and commission charges from ₹328.97 million for Fiscal 2021 to ₹185.95 million for Fiscal 2022; (ii) a 55.07% decrease in contract expenses from ₹209.92 million for Fiscal 2021 to ₹94.31 million for Fiscal 2022; and (iii) a 45.44% decrease in other expenses from ₹12.98 million for Fiscal 2021 to ₹7.08 million in Fiscal 2022. These decreases were attributable to a corresponding reduction in operation and maintenance income and income from EPC projects as we intended to strategically shift the product mix, placing a greater emphasis on monocrystalline PERC solar cells, based on the latest technology and current market trends.

The decrease in contract execution expense was offset by a 14.90% increase in project spares and consumables from ₹25.05 million for Fiscal 2021 to ₹28.78 million for Fiscal 2022, as a result of an increase in the use of spares for certain EPC projects.

Employee benefit expense. Employee benefit expense increased by 25.24% from ₹196.73 million for Fiscal 2021 to ₹246.38 million for Fiscal 2022, primarily due to: (i) a 18.00% increase in salaries, wages and bonus from ₹148.57 million for Fiscal 2021 to ₹175.31 million for Fiscal 2022, (ii) a 14.31% increase in contribution to provident and other funds from ₹15.26 million for Fiscal 2021 to ₹17.44 million for Fiscal 2022, and (iii) a 222.25% increase in staff welfare expenses from ₹5.69 million for Fiscal 2021 to ₹18.32 million for Fiscal 2022, all of which were mainly attributable to (i) increased hire of 350 employees during Fiscal 2022, (ii) compensation increment to employees and (iii) the capitalization of ₹24.80 million of employee costs relating to employees in Fiscal 2022 involved in the commissioning of our new facility in Unit II and in Fiscal 2023, the same was charged to profit and loss account.

Finance costs. Finance costs increased by 98.58% from ₹216.56 million for Fiscal 2021 to ₹430.03 million for Fiscal 2022, primarily due to: (i) a 288.91% increase in interest expense on term loans from ₹66.57 million for Fiscal 2021 to ₹258.91 million for Fiscal 2022; and (ii) a 25.44% increase in bank charges from ₹88.35 million for Fiscal 2021 to ₹110.83 million for Fiscal 2022. The increase is primarily due to (i) the expensing of charges related to the commissioning of new facilities for the full year, reflected in the profit and loss account, whereas in Fiscal 2021 these expenses were capitalized and (ii) an increase in bank charges in line with the expansion of our operations.

This increase was partially offset by: (i) a 14.14% decrease in interest expense on bank overdraft on demand loans from ₹50.56 million for Fiscal 2021 to ₹43.41 million for Fiscal 2022; and (ii) an 82.46% decrease in processing charges from ₹10.17 million for Fiscal 2021 to ₹1.78 million in Fiscal 2022.

**Depreciation and amortization expenses.** Depreciation and amortization expenses increased significantly by 137.09% from ₹116.41 million for Fiscal 2021 to ₹276.01 million for Fiscal 2022, primarily due to: (i) a 139.06% increase in depreciation of property, plant and equipment from ₹113.34 million for Fiscal 2021 to ₹270.95 million for Fiscal 2022; and (ii) a 4.17% decrease in amortization of the right to use assets from ₹2.73 million for Fiscal 2021 to ₹2.62 million for Fiscal 2022. The increase was attributable to the commissioning of a new facility in Unit II in Fiscal 2022, as a result of which depreciation was charged to the profit and loss account.

**Other expenses.** Other expenses increased by 40.83% from ₹496.96 million for Fiscal 2021 to ₹699.87 million for Fiscal 2022, primarily due to increases in:

- Power and fuel expenses by 391.57% from ₹30.78 million for Fiscal 2021 to ₹151.32 million for Fiscal 2022, due to a decrease in operational levels resulting from restrictions relating to the COVID-19 pandemic, during Fiscal 2021 and the commissioning of new production lines in Fiscal 2022;
- Manpower expenses by 120.22% from ₹48.69 million for Fiscal 2021 to ₹107.22 million for Fiscal 2022, due to the commissioning of new production lines; and
- Foreign exchange loss by 100.00% from ₹ nil for Fiscal 2021 to ₹61.97 million for Fiscal 2022, due to increase in import of raw material and capital goods in line with a corresponding increase of our operations.

These increases were partially offset by decreases in:

- Legal and professional fees by 13.96% from ₹56.58 million for Fiscal 2021 to ₹48.68 million for Fiscal 2022, due to due diligence and other professional charges incurred in relation to the private equity investment received from South Asia Growth Fund II Holdings LLC and South Asia EBT Trust;
- Repairs and maintenance expenses by 48.85% from ₹43.55 million for Fiscal 2021 to ₹22.28 million for Fiscal 2022, due to a corresponding decrease in the operation and maintenance income; and
- Provision for warranty (net) from ₹54.60 million for Fiscal 2021 to ₹ nil in Fiscal 2022, due to the reversal of excess provisions created in earlier years in Fiscal 2021.

**Tax expenses.** Our total tax expense decreased by 104.27% from ₹300.12 million for Fiscal 2021 to ₹(12.83) million for Fiscal 2022. For Fiscal 2021, we had a current tax expense of ₹179.65 million and a deferred tax expense of ₹120.47 million. For Fiscal 2022, we had a current tax expense of ₹95.04 million and a deferred tax credit of ₹(107.87) million. Our effective tax rate (which represents income tax expense expressed as a percentage of profit before tax for the relevant period) was 53.77% and 8.18% for Fiscals 2021 and 2022, respectively. This decrease was primarily due to the expenses disallowed under the Income Tax Act in Fiscal 2021 leading to an increased tax expense for that year.

**Restated profit/loss for the year.** As a result of the foregoing, our restated profit for the year decreased by 155.83% from a restated profit of ₹258.07 million for Fiscal 2021 to a restated loss of ₹(144.08) million for Fiscal 2022.

### **Selected Restated Consolidated Statement of Assets and Liabilities**

The table below sets forth the principal components of our total assets, equity and liabilities as at the periods indicated in the table below:

Particulars	As of March 31,			As of December
	2021	2022	2023	31, 2023
	(₹ million)			
Total non-current assets	5,319.64	6,771.32	10,549.47	13,698.62
Total current assets	4,449.05	6,643.62	10,557.41	15,688.70
Total assets	9,768.69	13,414.94	21,106.88	29,387.32
Total equity	2,390.13	4,039.39	4,242.49	5,535.10

Particulars	As of March 31,			As of December 31, 2023
	2021	2022	2023	
	(₹ million)			
Total non-current liabilities	3,264.58	4,237.96	6,490.08	9,823.21
Total current liabilities	4,113.98	5,137.59	10,374.31	14,029.01
Total liabilities	7,378.56	9,375.55	16,864.39	23,852.22
Total equity and liabilities	9,768.69	13,414.94	21,106.88	29,387.32

Our total non-current assets were ₹5,319.64 million as at March 31, 2021, increasing by 27.29% to ₹6,771.32 million as at March 31, 2022, further increasing by 55.80% to ₹10,549.47 million as at March 31, 2023 and increasing by 29.85% to ₹13,698.62 million as at December 31, 2023. The increase in our non-current assets was primarily due to an increase in our investments made in manufacturing facilities and development expenditure incurred on internally generated intangible assets, namely (i) right-of-use assets, (ii) other financially assets; and (iii) deferred tax assets.

Our total current assets were ₹4,449.05 million as at March 31, 2021, increasing by 49.33% to ₹6,643.62 million as at March 31, 2022, further increasing by 58.91% to ₹10,557.41 million as at March 31, 2023 and increasing by 48.60% to ₹15,688.70 million as at December 31, 2023. The increase in our total current assets was primarily due to increases in finished goods inventories, unsecured trade receivables and cash and cash equivalents through bank deposits.

Our total equity was ₹2,390.13 million as at March 31, 2021, increasing by 69.00% to ₹4,039.39 million as at March 31, 2022, increasing by 5.03% to ₹4,242.49 million as at March 31, 2023 and further increasing by 30.47% to ₹5,535.10 million as at December 31, 2023. The increase in total equity was primarily due to increases in profit for the period / year as well as retained earnings.

Our total non-current liabilities were ₹3,264.58 million as at March 31, 2021, increasing by 29.82% to ₹4,237.96 million as at March 31, 2022, increasing by 53.14% to ₹6,490.08 million as at March 31, 2023 and further increasing by 51.36% to ₹9,823.21 million as at December 31, 2023. This increase was primarily due to increases in lease liabilities and term loans availed from public financial institutions for setting up Unit II and Unit III.

Our total current liabilities were ₹4,113.98 million as at March 31, 2021, increasing by 24.88% to ₹5,137.59 million as at March 31, 2022, increasing by 101.93% to ₹10,374.31 million as at March 31, 2023 and further increasing by 35.23% to ₹14,029.01 million as at December 31, 2023. The increase was primarily due to increases in short-term loans, trade payables, advances from customers and statutory dues for working capital.

### Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to fund our working capital needs for our operations. We have met these requirements through cash flows from operations and equity infusions from Promoters, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust. As of December 31, 2023, we had ₹2,163.77 million in cash and cash equivalents and ₹1,723.84 million as bank balances. We believe that, after taking into account the expected cash to be generated from operations, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for 12 months following the date of this Draft Red Herring Prospectus.

### Cash Flows Based on our Restated Consolidated Financial Information

The following table summarizes our cash flows as at the periods indicated below:

Particulars	As of March 31,			As of December 31, 2023
	2021	2022	2023	
	(₹ million)			
<b>Net cash flow</b>				
Net cash flow from / (used in) operating activities (A)	2,368.78	49.64	366.85	(394.58)
Net cash flow used in investing activities (B)	(3,527.94)	(2,179.31)	(3,038.75)	(4,053.16)
Net cash flow from financing activities (C)	1,091.39	2,786.12	2,516.61	5,965.81
<b>Net increase / (decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>(67.77)</b>	<b>656.45</b>	<b>(155.29)</b>	<b>1,518.07</b>
Cash and Cash equivalents at the beginning of the period / year	212.31	144.54	800.99	645.70
<b>Cash and cash equivalents at the end of the period / year</b>	<b>144.54</b>	<b>800.99</b>	<b>645.70</b>	<b>2,163.77</b>

### *Operating Activities*

Net cash used in operating activities was ₹(394.58) million for the nine months ended December 31, 2023. The restated profit before tax for the nine months ended December 31, 2023 was ₹1,748.05 million. Adjustments primarily included depreciation and amortization expense of ₹590.46 million, finance costs of ₹527.91 million, provision for / (write back) of warranty (net) of ₹85.00 million, provision for doubtful debts of ₹66.38 million interest income of ₹(104.60) million, share of profit of associates of ₹(9.87) million and income from government grant of ₹(20.78) million.

Operating cash profit before working capital changes was ₹2,935.01 million. Working capital changes included an increase in trade payables of ₹1,018.35 million and an increase in provisions of ₹12.41 million. This was offset by an increase in inventories of ₹(1,667.07) million, an increase in trade receivables of ₹(1,996.63) million, an increase of financial assets and other assets of ₹(117.88) million and a decrease in financial and other current liabilities of ₹(482.86) million.

Net cash from operating activities was ₹366.85 million for Fiscal 2023. The restated loss before tax for Fiscal 2023 was ₹77.60 million. Adjustments primarily included depreciation and amortization expense of ₹532.33 million, finance costs of ₹622.04 million, provision for doubtful debts of ₹53.36 million, liabilities / provisions no longer required written back of ₹(41.40) million, provision for / (written back) of warranty (net) of ₹(24.98) million, gain on foreign exchange fluctuation (net) of ₹(29.19) million, income from government grant of ₹(27.65) million, interest income of ₹(120.14) million and share of profit of associates of ₹(12.19) million.

Operating cash profit before working capital changes was ₹876.84 million. Working capital changes included a decrease in trade receivables of ₹801.49 million, an increase in trade payables of ₹1,351.75 million, an increase in provisions of ₹3.45 million, an increase in financial and other current liabilities of ₹1,780.55 million. This was offset by an increase in inventories of ₹(4,159.27) million, an increase in financial assets and other assets of ₹(184.61) million.

Net cash from operating activities was ₹49.64 million for Fiscal 2022. The restated loss before tax for Fiscal 2022 was ₹156.91 million. Adjustments primarily included depreciation and amortization expense of ₹276.01 million, finance costs of ₹415.68 million, provision for doubtful debts of ₹36.19 million, bad debts written off of ₹32.30 million, liabilities / provisions no longer required written back of ₹(18.19) million, provision for / (written back) of warranty (net) of ₹(37.31) million, income from government grant of ₹(9.21) million, interest income of ₹(92.22) million and share of profit of associates of ₹(11.75) million.

Operating cash profit before working capital changes was ₹423.81 million. Working capital changes included a decrease in trade receivables of ₹106.14 million, a decrease in financial and other assets of ₹407.37 million, and an increase in trade payables of ₹1,060.55 million. This was offset by an increase in inventories of ₹(1,542.87) million, a decrease in financial and other current liabilities of ₹(285.42) million and a decrease in provisions of ₹(0.91) million.

Net cash from operating activities was ₹2,368.78 million for Fiscal 2021. The restated profit before tax for Fiscal 2021 was ₹558.19 million. Adjustments primarily included depreciation and amortization expense of ₹116.41 million, finance costs of ₹216.56 million, provisions for write back of warranty of ₹54.60 million, provision for doubtful debts of ₹22.80 million, profit on sale of property, plant and equipment of ₹(30.79) million, gain on foreign exchange fluctuation (net) of ₹(25.20) million, interest income of ₹(36.47) million and dividend income of ₹(21.43) million.

Operating cash profit before working capital changes of ₹839.21 million. Working capital changes include a decrease in trade receivables of ₹390.64 million, and a decrease in financial assets and other assets of ₹547.77 million, an increase in trade payables of ₹580.86 million, an increase in financial and other current liabilities of ₹193.15 million and an increase in provisions of ₹8.82 million. This was offset by an increase in inventories of ₹(53.86) million.

### *Investing Activities*

Net cash used in investing activities was ₹(4,053.16) million for the nine months ended December 31, 2023. This primarily resulted from purchases of property, plant and equipment of ₹(3,544.14) million, investment in mutual funds of ₹(1,562.47) million, bank deposits placed/(matured), net of ₹(665.60) million, movement in other bank balances of ₹(434.85) million, interest received of ₹67.86 million and proceeds from sale of mutual funds of ₹2,082.98 million.

Net cash used in investing activities was ₹(3,038.75) million for Fiscal 2023. This primarily resulted from purchases of property, plant and equipment of ₹(2,760.42) million, movement in other bank balances of ₹(493.21)

million, investment in mutual funds of ₹(507.63) million, interest received of ₹142.98 million and proceeds from sale of mutual funds of ₹491.35 million, bank deposits (placed)/matured, net of ₹67.94 million, proceeds from sale of property, plant and equipment of ₹27.59 million, and proceeds from sale of investments in equity instruments of ₹10.33 million.

Net cash used in investing activities was ₹(2,179.31) million for Fiscal 2022. This primarily resulted from purchases of property, plant and equipment of ₹(1,987.30) million, movement in other bank balances of ₹(146.16) million, investment in mutual funds of ₹(1,837.72) million, interest received of ₹83.17 million, proceeds from sale of mutual funds of ₹1,379.93 million proceeds from sale of property, plant and equipment of ₹153.42 million, and proceeds from sale of investments in equity instruments of ₹38.32 million.

Net cash used in investing activities was ₹(3,527.94) million for Fiscal 2021. This primarily resulted from purchases of property, plant and equipment of ₹(3,244.83) million, movement in other bank deposits (placed)/matured of ₹(393.06) million, dividend income of ₹21.43 million, interest received of ₹34.00 million, and proceeds from sale of property, plant and equipment of ₹48.18 million.

#### *Financing Activities*

Net cash from financing activities was ₹5,965.81 million for the nine months ended December 31, 2023. This primarily resulted from proceeds from long-term borrowings of ₹3,485.51 million, proceeds from short-term borrowings (net) of ₹3,294.31 million, repayment of long-term borrowings of ₹(314.79) million and interest repayment of ₹(491.29) million.

Net cash from financing activities was ₹2,516.61 million for Fiscal 2023. This primarily resulted from proceeds from issue of compulsorily convertible debentures of ₹318.50 million, proceeds from capital infused by non-controlling interest holders of ₹42.50 million, proceeds from long-term borrowings of ₹2,024.35 million, proceeds from short-term borrowings (net) of ₹841.84 million, repayment of long-term borrowings of ₹(82.24) million, and interest repayment of ₹(625.23) million.

Net cash from financing activities was ₹2,786.12 million for Fiscal 2022. This primarily resulted from proceeds from issue of equity shares of ₹15.68 million, proceeds from issue of instruments entirely in the nature of equity of ₹1,760.00 million, proceeds from government grant of ₹318.45 million, proceeds from long-term borrowings of ₹971.86 million, proceeds from short-term borrowings (net) of ₹225.83 million, share issue expenses ₹(61.26) million, repayment of long-term borrowings of ₹(116.66) million and interest repayment of ₹(418.35) million.

Net cash from financing activities was ₹1,091.39 million for Fiscal 2021. This primarily resulted from proceeds from issue of equity shares of ₹14.50 million, proceeds from short-term borrowings of ₹1,298.62 million and interest payment of ₹(219.21) million.

#### *Indebtedness*

As of December 31, 2023, our total outstanding indebtedness on a consolidated basis was ₹14,100.45 million, primarily consisting of term loans from banks and public financial institutions. The following table provides the amounts of our outstanding current and non-current borrowings for the periods indicated:

Particulars	As of March 31,			As of December
	2021	2022	2023	31, 2023
	(₹ million)			
Non-current borrowings	2,467.50	3,322.71	5,698.10	8,499.08
Current borrowings	984.43	1,210.26	1,937.32	5,601.37
<b>Total borrowings</b>	<b>3,451.93</b>	<b>4,532.97</b>	<b>7,635.42</b>	<b>14,100.45</b>

#### **Contractual Obligations**

The table below sets forth our contractual obligations as at December 31, 2023 as per the Restated Consolidated Financial Information. These obligations primarily relate to our contractual maturities of financial liabilities such as trade payables, other financial liabilities and lease liabilities.



Particulars	Total	Less than 1 year	1 year to 5 years	More than 5 years
	(₹ million)			
Borrowings	14,100.45	5,601.37	3,106.12	5,392.96
Trade Payables	5,015.65	5,015.65	—	—
Other financial liabilities	1,123.19	1,123.19	—	—
Lease liabilities	91.90	14.57	77.33	—
<b>Total</b>	<b>20,331.19</b>	<b>11,754.78</b>	<b>3,183.45</b>	<b>5,392.96</b>

### Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities as of December 31, 2023 as per the Restated Consolidated Financial Information.

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(₹ million)			
Outstanding bank guarantees .....	2,112.60	3,884.38	155.48	161.76
Claims arising from disputes not acknowledged as debts – direct taxes .....	33.53	44.11	44.11	15.01
Claims arising from disputes not acknowledged as debts – indirect taxes .....	69.85	72.77	70.71	10.44
Corporate guarantee given for the borrowings taken by the Group .....	12,523.90	7,259.00	5,389.00	1,805.00
Comfort letter given for the borrowings taken by the Group .....	2,435.40	229.40	—	—

As on December 31, 2023, our Company has a contingent liability of ₹809.87 million (March 31, 2023: ₹407.66 million, March 31, 2022: ₹ nil, March 31, 2021: ₹ nil) towards customs duty and goods and services tax for capital goods imported under the MOOWR scheme, against which our Company has executed and utilized a bond as at December 31, 2023, amounting to ₹2,429.61 million (March 31, 2023: ₹1,222.98 million, March 31, 2022: ₹ nil, March 31, 2021: ₹ nil). The firm liability towards such customs duty shall be contingent upon conditions at the time of filing an ex-bond bill of entry at the time of disposal. In case our Company decides to export such capital goods, the associated costs shall not be significant. Based on our Company's assessment of use of capital goods, management expects that liability will not arise for the same.

See “*Restated Consolidated Financial Information – Notes forming part of the Restated Consolidated Financial Information – Note 39: Contingent Liabilities*”.

### Capital Commitments

The following table sets forth the estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(₹ million)			
Capital commitments .....	138.37	12,797.48	863.04	—

See “*Restated Consolidated Financial Information – Notes forming part of the Restated Consolidated Financial Information – Note 39: Contingent Liabilities*”.

### Capital Expenditures

The following table sets forth the historical capital expenditures which were, and we expect our future capital expenditures to be, primarily for the purchase of plant and equipment, intangible assets (excluding goodwill), investment. Capital expenditure is calculated as a total on additions made towards property, plant and equipment and net movement of capital work-in-progress whereas net movement of capital work-in-progress is closing capital work-in-progress, less opening capital work-in-progress, as per our Restated Consolidated Financial Information.

Particulars	Fiscal year ended March 31,			For the period ended
	2021	2022	2023	December 31, 2023
	(₹ million)			
Additions to property, plant and equipment (A)	3,124.82	810.04	1,651.06	6,430.40
Additions to intangible assets (excluding goodwill) (B)	0.61	4.35	19.15	—
Net movement of capital work-in-progress (C)	(208.75)	1,141.10	2,351.30	(3,091.23)
<b>Total (A+B+C)</b>	<b>2,916.68</b>	<b>1,955.49</b>	<b>4,021.51</b>	<b>3,339.17</b>

We intend to utilize a portion of the Net Proceeds towards investment in our Subsidiary, PEGEPL, for part-financing the establishment of the Project. See “*Objects of the Offer*” on page 119. The total estimated cost of setting up the Project is ₹34,642.75 million for which we propose to deploy a sum of ₹11,687.38 million from the Net Proceeds.

#### Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

#### Related Party Transactions

We enter into various transactions with related parties. For further information, see “*Restated Consolidated Financial Information – Notes forming part of the Restated Consolidated Financial Information – Note 43: Related Party Disclosures*” on page 335.

#### NON-GAAP MEASURES

**EBITDA / EBITDA Margin / EBIT / ROCE / Net Worth / Debt to Equity Ratio / Return on Net Worth / PBT Margin / PAT Margin / Return on Equity / Net Asset Value per Equity Share / Inventory Turnover Ratio / Debt Service Coverage Ratio (“Non-GAAP Measures”) presented in this Draft Red Herring Prospectus**

In evaluating our business, we consider and use Non-GAAP Measures that are presented below as supplemental measures to review and assess our operating performance. The presentation of these Non-GAAP Measures are not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We present these Non-GAAP Measures because they are used by our management to evaluate our operating performance. These Non-GAAP Measures are not defined under Ind AS and are not presented in accordance with Ind AS. The Non-GAAP Measures have limitations as analytical tools. Further, these Non-GAAP Measures may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.

#### *Based on our Restated Consolidated Financial Information*

*Earnings before interest, tax, depreciation and amortization (EBITDA) and earnings before interest, tax, depreciation and amortization margin (EBITDA Margin)*

EBITDA is calculated as restated profit for the year/period plus tax, finance cost, depreciation, and amortization, less share of profit / loss from associates. EBITDA Margin is calculated as EBITDA divided by total income. Total income is calculated as revenue from operations and other income.

The table below reconciles our profit/loss for the year/period to EBITDA for the periods indicated.

	As of and for the years ended March 31,						As of and for the nine months ended December 31,	
	2021		2022		2023		2023*	
	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)
Restated profit for the year/period	258.07	3.51%	(144.08)	(1.88)%	(133.36)	(0.91)%	1,274.02	6.27%
Add:								
Depreciation and amortization expenses	116.41	1.58%	276.01	3.60%	532.33	3.64%	590.46	2.90%
Finance cost	216.56	2.94%	430.03	5.61%	686.27	4.69%	759.93	3.74%
Income tax expense	300.12	4.08%	(12.83)	(0.17)%	55.76	0.38%	474.03	2.33%
Less:								
Share of profit/(loss) from associates	6.50	0.09%	11.75	0.15%	12.19	0.08%	9.87	0.05%
<b>EBITDA</b>	<b>884.66</b>	<b>12.02%</b>	<b>537.38</b>	<b>7.01%</b>	<b>1,128.81</b>	<b>7.71%</b>	<b>3,088.57</b>	<b>15.19%</b>
<b>EBITDA Margin</b>		<b>12.02%</b>		<b>7.01%</b>		<b>7.71%</b>		<b>15.19%</b>

### Return on Average Capital Employed (ROCE)

ROCE is calculated as EBIT divided by average capital employed where (a) EBIT is EBITDA less depreciation and amortization and (b) average capital employed is the average of opening and closing values of total equity (excluding non-controlling interest and capital reserves), total debt (including lease liabilities and accrued interest), deferred tax liabilities (net of deferred tax asset), less intangible assets including goodwill).

	As of and for the years ended March 31,						As of and for the nine months ended December 31,	
	2021		2022		2023		2023*	
	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)
EBITDA (A)	884.66	12.02%	537.38	7.01%	1,128.81	7.71%	3,088.57	15.19%
Less:								
Depreciation and amortization (B)	116.41	1.58%	276.01	3.60%	532.33	3.64%	590.46	2.90%
<b>EBIT</b>	<b>768.25</b>	<b>10.43%</b>	<b>261.37</b>	<b>3.41%</b>	<b>596.48</b>	<b>4.08%</b>	<b>2,498.11</b>	<b>12.29%</b>
<b>C = A-B</b>								
Net worth (D)	2,208.31	29.99%	3,933.87	51.29%	3,819.76	26.11%	5,112.37	25.15%
Add:								
Borrowings (current and non-current) (E)	3,451.93	46.89%	4,532.97	59.10%	7,635.42	52.18%	14,100.45	69.37%
Lease liability (current and non-current) (F)	7.83	0.11%	7.08	0.09%	4.44	0.03%	91.90	0.45%
Deferred tax liability (G)	188.67	2.56%	76.27	0.99%	83.83	0.57%	452.52	2.23%
Interest accrued (H)	11.26	0.15%	14.56	0.19%	10.98	0.08%	50.20	0.25%
Less:								
Intangible assets (goodwill and other intangible assets) (I)	2.19	0.03%	4.76	0.06%	20.69	0.14%	16.26	0.08%
Deferred tax asset (J)	15.67	0.21%	11.18	0.15%	2.49	0.02%	69.46	0.34%
Closing capital employed	5,850.14	—	8,548.81	—	11,531.25	—	19,721.72	—
<b>K = D+E+F+G+H-I-J</b>								
Opening capital employed (L)	4,766.80	—	5,850.14	—	8,548.81	—	11,531.25	—

	As of and for the years ended March 31,						As of and for the nine months ended December 31,	
	2021		2022		2023		2023*	
	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)	Amount (₹ million)	Percentage of total income (%)
Average capital employed M = ((K+L)/2)	5,308.47	—	7,199.47	—	10,040.03	—	15,626.49	—
<b>ROCE</b> <b>= (C/M)*100</b>	—	<b>14.47%</b>	—	<b>3.63%</b>	—	<b>5.94%</b>	—	<b>15.99%</b>

\*Not annualized

### Net Worth

Net worth means 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 our Company on a restated basis.

The table below reconciles our net worth.

	As of and for the years ended March 31,			As of and for the nine months ended December 31,
	2021	2022	2023	2023*
	(₹ in million, except percentages)			
Paid-up share capital (A)	249.51	263.46	263.46	263.46
Instruments entirely equity in nature (B)	—	1,698.74	1,698.74	1,698.74
Other equity				
Add:				
Security premium (C)	150.58	415.73	415.73	415.73
Retained earnings (D)	1,808.69	1,663.93	1,535.88	2,809.90
Other items of comprehensive income (E)	(0.47)	(0.59)	0.85	3.71
Treasury shares (F)	—	(109.87)	(109.87)	(109.87)
Share based payment reserve (G)	—	2.47	14.97	30.70
<b>Net worth</b>	<b>2,208.31</b>	<b>3,933.87</b>	<b>3,819.76</b>	<b>5,112.37</b>
<b>H = A+B+C+D+E+F+G</b>				

\*Not annualized

### Debt to Equity Ratio

The table below reconciles debt to equity. Debt to equity is calculated as debt for the year / period divided by total equity (excluding non-controlling interest).

	As of and for the years ended March 31,			As of and for the nine months ended December 31,
	2021	2022	2023	2023*
	(₹ in million, except percentages)			
Current borrowings (A)	984.43	1,210.26	1,937.22	5,601.37
Non-current borrowings (B)	2,467.50	3,322.71	5,698.10	8,499.08
Current lease liabilities (C)	2.52	2.65	3.06	14.57
Non-current lease liabilities (D)	5.31	4.43	1.38	77.33
Interest accrued (E)	11.26	14.56	10.98	50.20
Total debt	3,471.02	4,554.61	7,650.84	14,242.55
F = A+B+C+D+E				
Shareholder's Equity				
Equity share capital (G)	249.51	263.46	263.46	263.46
Instruments entirely equity in nature (H)	—	1,698.74	1,698.74	1,698.74
Other Equity (I)	1,971.97	1,984.04	2,149.95	3,442.56

	As of and for the years ended March 31,			As of and for the nine months ended December 31,
	2021	2022	2023	2023*
	(₹ in million, except percentages)			
Total equity J = G+H+I	2,220.68	3,946.24	4,112.15	5,404.76
<b>Debt to Equity Ratio = (F/J)</b>	<b>1.56</b>	<b>1.15</b>	<b>1.86</b>	<b>2.64</b>

\*Not annualized

### Return on Net Worth

Return on Net Worth is calculated as restated profit/loss attributable to the equity shareholders for the period/ year divided by restated net worth. Restated net worth means 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 our Company on a restated basis.

The table below reconciles our Return on Net Worth.

	As of and for the years ended March 31,			As of and for the nine months ended December 31,
	2021	2022	2023	2023*
	(₹ in million, except percentages)			
Restated profit/loss for the period/year attributable to owners (A)	234.79	(143.60)	(128.05)	1,274.02
Equity				
Paid-up share capital (B)	249.51	263.46	263.46	263.46
Instruments entirely equity in nature (C)	—	1,698.74	1,698.74	1,698.74
Other equity				
Add:				
Security premium (D)	150.58	415.73	415.73	415.73
Retained earnings (E)	1,808.69	1,663.93	1,535.88	2,809.90
Other items of comprehensive income (F)	(0.47)	(0.59)	0.85	3.71
Treasury shares (G)	—	(109.87)	(109.87)	(109.87)
Share based payment reserve (H)	—	2.47	14.97	30.70
Net worth I = B+C+D+E+F+G+H	2,208.31	3,933.87	3,819.76	5,112.37
<b>Return on Net Worth = (A/I)</b>	<b>10.63%</b>	<b>(3.65)%</b>	<b>(3.35)%</b>	<b>24.92%</b>

\*Not annualized

### Profit Before Tax Margin (PBT Margin)

PBT Margin is calculated as restated profit before tax for the year/period divided by total income.

	As of and for the years ended March 31,			As of and for the nine months ended December 31,
	2021	2022	2023	2023*
	(₹ in million, except percentages)			
Restated profit / (loss) before tax (A)	558.19	(156.91)	(77.60)	1,748.05
Total income (B)	7,362.35	7,670.33	14,632.12	20,327.62
<b>Profit Before Tax Margin = (A/B)</b>	<b>7.58%</b>	<b>(2.05)%</b>	<b>(0.53)%</b>	<b>8.60%</b>

\*Not annualized

### Profit After Tax Margin (PAT Margin)

The table below reconciles restated profit for the year/period to profit after tax margin which is calculated as restated profit after tax divided by total income.

	As of and for the years ended			As of and for the
	March 31,			nine months ended
	2021	2022	2023	December 31,
	2023*			
	<i>(₹ in million, except percentages)</i>			
Restated profit for year/period (A)	258.07	(144.08)	(133.36)	1,274.02
Total income (B)	7,362.35	7,670.33	14,632.12	20,327.62
<b>Profit After Tax Margin</b> <b>= (A/B)</b>	<b>3.51%</b>	<b>(1.88)%</b>	<b>(0.91)%</b>	<b>6.27%</b>

\*Not annualized

### Return on Equity (ROE)

ROE is calculated as restated profit for the period/year (owners share) divided by average total equity (excluding non-controlling interest) whereas average total equity is the average of opening and closing total equity (excluding non-controlling interest) as disclosed in the Restated Consolidated financial Information.

	As of and for the years ended			As of and for the
	March 31,			nine months ended
	2021	2022	2023	December 31,
	2023*			
	<i>(₹ in million, except percentages)</i>			
Restated profit/loss for the period/year attributable to owners (A)	234.79	(143.60)	(128.05)	1,274.02
Closing equity attributable to the owners of the Company (B)	2,220.68	3,946.24	4,112.15	5,404.76
Opening equity attributable to the owners of the Company (C)	2,306.96	2,220.68	3,946.24	4,112.15
Average equity <b>D = ((B+C)/2)</b>	2,263.82	3,083.46	4,029.20	4,758.46
<b>Return on Equity</b> <b>= (A/D)</b>	<b>10.37%</b>	<b>(4.66)%</b>	<b>(3.18)%</b>	<b>26.77%</b>

\*Not annualized

### Net Asset Value per Equity Share

Net Asset Value per Equity Share is calculated as net worth divided by the number of equity shares and potential equity shares on account of compulsory convertible debentures outstanding as at the end of period / year. Net worth means 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 our Company on a restated basis.

	As of and for the years ended March			As of and for the
	31,			nine months ended
	2021	2022	2023	December 31,
	2023*			
	<i>(₹ in million, except share data)</i>			
Paid-up share capital (A)	249.51	263.46	263.46	263.46
Instruments entirely equity in nature (B)	—	1,698.74	1,698.74	1,698.74
<b>Other equity</b>				
Add:				
Security premium (C)	150.58	415.73	415.73	415.73
Retained earnings (D)	1,808.69	1,663.93	1,535.88	2,809.90
Other items of comprehensive income (E)	(0.47)	(0.59)	0.85	3.71
Treasury shares (F)	—	(109.87)	(109.87)	(109.87)
Share based payment reserve (G)	—	2.47	14.97	30.70
<b>Net Worth</b> <b>H = A+B+C+D+E+F+G</b>	<b>2,208.31</b>	<b>3,933.87</b>	<b>3,819.76</b>	<b>5,112.37</b>
Equity shares issued outstanding at the year/ period (I)	249,508,880	263,458,334	263,458,334	263,458,334
Potential equity shares on account of compulsorily convertible debentures outstanding at the year/ period (J)	—	88,000,000	88,000,000	88,000,000
Total	249,508,880	351,458,334	351,458,334	351,458,334
<b>K = I+J</b>				
<b>Net Asset Value per Equity Share = H/K<sup>^</sup></b>	<b>8.85</b>	<b>11.19</b>	<b>10.87</b>	<b>14.55</b>

\*Not annualized.

^ Pursuant to a Board resolution and Shareholders' resolution each dated April 10, 2024, the Company has issued and allotted Equity Shares through bonus issue in the ratio of 0.268 Equity Shares for every one Equity Share. The EPS and Net asset value per Equity Share disclosed above are derived from the Restated Consolidated Financial Information and are not adjusted for above events occurring after the Restated Consolidated Financial Information is adopted by the Board of Directors on March 14, 2024 in accordance with Indian Accounting Standard (Ind AS) 33 "Earning Per Share".

### Inventory Turnover Ratio

Inventory Turnover Ratio is calculated as cost of goods sold to average inventory.

	As of and for the years ended March 31,			As of and for the nine months ended December 31,
	2021	2022	2023	2023*
	( <i>₹ in million, except percentages</i> )			
Cost of materials consumed (A)	4,768.23	3,987.20	11,105.19	15,660.27
Purchase of stock in trade (B)	519.68	2,281.31	1,568.23	1,291.44
Changes in inventories of finished goods, stock in trade and work in progress (C)	(80.83)	(397.93)	(934.07)	(1,867.17)
<b>Cost of goods sold</b>	<b>5,207.08</b>	<b>5,870.58</b>	<b>11,739.35</b>	<b>15,084.54</b>
<b>D = A+B+C</b>				
Opening inventory (E)	1,099.89	626.41	2,169.27	6,328.55
Closing inventory (F)	626.41	2,169.27	6,328.55	7,995.60
<b>Average inventory</b>		<b>1,397.84</b>	<b>4,248.91</b>	<b>7,162.08</b>
<b>G = ((E+F)/2)</b>	<b>863.15</b>			
<b>Inventory Turnover Ratio = D/G</b>	<b>6.03</b>	<b>4.20</b>	<b>2.76</b>	<b>2.11</b>

\*Not annualized

### Debt Service Coverage Ratio

Debt Service Coverage Ratio is calculated as earnings available for debt service to debt service.

	As of and for the years ended March 31,			As of and for the nine months ended December 31,
	2021	2022	2023	2023*
	( <i>₹ in million, except percentages</i> )			
Restated net profit after tax (A)	258.07	(144.08)	(133.36)	1,274.02
Depreciation and amortization (B)	116.41	276.01	532.33	590.46
Interest <sup>(1)</sup> (C)	118.04	302.95	461.73	527.92
Provision for doubtful debts (D)	22.80	36.19	53.36	66.38
Provision for impairment of investments (E)	—	—	2.33	—
Bad debts written off (F)	24.86	32.30	2.36	7.05
Provision for warranty (G)	54.60	—	—	85.00
<b>Earnings for debt service</b>	<b>594.78</b>	<b>503.37</b>	<b>918.75</b>	<b>2,550.83</b>
<b>H = A+B+C+D+E+F+G</b>				
Interest payment (I) <sup>(2)</sup>	361.01	464.78	703.17	657.23
Lease payments (J)	2.52	3.06	3.11	7.93
Principal payments (K)	—	116.66	82.24	314.79
<b>Debt service</b>	<b>363.53</b>	<b>584.50</b>	<b>788.52</b>	<b>979.95</b>
<b>L = I+J+K</b>				
<b>Debt Service Coverage Ratio = H/L</b>	<b>1.64</b>	<b>0.86</b>	<b>1.17</b>	<b>2.60</b>

\*Not annualized

#### Notes:

- (1) Interest has been calculated as sum of interest expense on term loans, bank overdraft and demand loans, lease liability (net) and interest on compulsorily convertible debentures.
- (2) Interest payment includes December 31, 2023: ₹165.94 million, March 31, 2023: ₹77.94 million, March 31, 2022: ₹46.43 million, March 31, 2021: ₹141.80 million towards cost of qualifying asset.

### Quantitative and Qualitative Disclosures about Market Risks

Our Group's activities expose us to a variety of financial risks, namely, market risk, credit risk and liquidity risk. Our Group is committed to anticipating the volatility of financial markets and aims to mitigate potential negative impacts on our financial performance.

## **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets.

### *Trade receivables*

The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits as defined in accordance with this assessment and outstanding customer receivables are regularly monitored. The Group's receivables turnover is quick and historically, there was no significant defaults on account of those customers. Ind AS requires an entity to recognize, in profit or loss, the amount of expected credit losses (or reversal) required to adjust the loss allowance at the reporting date to the amount required to be recognized in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience, adjusted for forward-looking information.

## **Liquidity risk**

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

## **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

### *Currency risk*

The Group's functional currency is Indian rupees. The Group purchased some plant and machinery in foreign currency. Adverse movements in the exchange rate between Indian rupees and any relevant foreign currency results in the Group's overall debt position in rupee terms without the Group having incurred additional debt and favorable movements in the exchange rates will conversely result in a reduction in the Group's receivables in foreign currency.

### *Interest rate risk*

Interest rate risk is the risk that the future standalone cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

### *Foreign currency exchange rate risk*

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in the U.S. dollar against the functional currencies of the Group. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.



## **Auditor Qualifications**

There are no auditor qualifications which have not been given effect to in the Restated Consolidated Financial Information.

Our previous statutory auditors have included a matter of emphasis in their audit report on our financial statements as at and for Fiscal 2021. For further details, see “*Risk Factors – Our previous statutory auditors have included an emphasis of matter in their report on our financial statements.*” on page 58.

## **Unusual or Infrequent Events of Transactions**

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

## **Known Trends or Uncertainties**

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled “*Significant Factors Affecting Our Financial Condition and Results of Operations*” and the uncertainties described in the section titled “*Risk Factors*” on page 31. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

## **Significant Economic Changes that Materially Affected or are likely to Affect Revenue from Operations**

There are no significant economic changes that materially affected our operations or are likely to affect income from continuing operations except as described in the sections “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 31, 152 and 204, respectively.

## **Future Relationship between Cost and Income**

Other than as described in this Draft Red Herring Prospectus, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

## **New Products or Business Segments**

Other than as described in “*Our Business*” on page 204 of this Draft Red Herring Prospectus, there are no new products or business segments in which we operate.

## **Significant dependence on a single or few Customers or Suppliers**

Other than as described in this Draft Red Herring Prospectus, particularly in sections “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 31 and 351, respectively, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

## **Seasonality of Business**

Our business is not subject to seasonal variations.

## **Significant Developments after December 31, 2023**

Pursuant to a Board and Shareholders resolution each dated April 10, 2024, bonus Equity Shares have been issued in the ratio of 0.268 Equity Shares for every one Equity Share held. For further details, see “*Capital Structure – Notes to the Capital Structure – Equity Share Capital of our Company*” on page 95.

Except as stated below and in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the Restated Consolidated Financial Information as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

The shareholders vide their resolution dated April 10, 2024 accorded to issue and allot 70,606,834 Equity Shares of ₹1 each as bonus shares credited as fully paid up by capitalization of ₹70.61 million standing to the credit of our Company’s securities premium account to the existing shareholders of our Company in the proportion of 0.268 new Equity Shares of ₹1 for every 1 existing Equity Share of ₹1, whose names will appear in the register of members / beneficial owners position of our Company as on April 10, 2024 (record date). Subsequently, the Board of Directors vide their resolution dated April 10, 2024 allotted 70,606,834 Equity Shares of ₹1 as bonus Equity Shares.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2023, as derived from our Restated Consolidated Financial Information. This table should be read in conjunction with the sections titled "**Risk Factors**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on pages 31, 280 and 351, respectively.

Particulars	Pre-Offer as at December 31, 2023	As adjusted for the proposed Offer <sup>(1)</sup>
<i>(₹ in million, except ratios)</i>		
<b>Total Borrowings</b>		
Non-current borrowings* (A)	8,499.08	[●]
Current borrowings (including current maturities of long term borrowing)* (B)	5,601.37	[●]
<b>Total Borrowings (C) = (A+B)</b>	<b>14,100.45</b>	<b>[●]</b>
<b>Total Equity</b>		
Equity share capital*	263.46	[●]
Instruments entirely equity in nature	1,698.74	
Other equity*	3,442.56	[●]
<b>Total equity (D)</b>	<b>5,404.76</b>	<b>[●]</b>
<b>Total (E) = (C) + (D)</b>	<b>19,505.21</b>	<b>[●]</b>
<b>Non-current borrowings/Total equity (A/D)</b>	1.57	[●]
<b>Total borrowings/Total equity (C/D)</b>	2.61	[●]

Notes:

<sup>(1)</sup> The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the Book Building Process and hence has not been furnished. To be updated upon finalization of the Offer Price.

\* These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

**The amounts disclosed above are derived from the Restated Consolidated Financial Information and are not adjusted to effect events mentioned below:**

Pursuant to a Board resolution dated April 10, 2024 and Shareholders resolution dated April 10, 2024, bonus Equity Shares have been issued in the ratio of 0.268 shares for every one Equity Share.

## FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries avail fund based and non-fund-based facilities in the ordinary course of business for purposes such as, *inter alia*, meeting our working capital requirements or business requirements.

Set forth below is a brief summary of our aggregate outstanding borrowings amounting to ₹18,954.78 million, as on February 29, 2024 on a consolidated basis.

<i>(in ₹ million)</i>		
Category of Borrowing **	Sanctioned amount	Amount outstanding as at February 29, 2024
Secured Loan		
(a) Fund based facilities	41,345.30	11,500.32
Working capital demand loans ***	2,840.00	1,673.32
Cash credit facility ***		
Term loan	38,505.30	9,827.00
(b) Non-fund based facilities (Interchangeable) ****	10,877.40	7,452.80
Bank guarantees and letters of credit	10,877.40	7,452.80
(A) Total secured borrowings (a+b)	52,222.70	18,953.12
Unsecured loan		
(a) Fund based facilities		
Loans taken from directors	101.10	1.67
(B) Total unsecured borrowings	101.10	1.67
<b>Total borrowings</b>	<b>52,323.80</b>	<b>18,954.78</b>

\*As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated April 19, 2024.

\*\* Excludes corporate credit cards, cash backed non-fund-based limits, derivatives and pre and post LC bill discounting and TREDS.

\*\*\* Interchangeability between working capital demand loan and cash credit

\*\*\*\* Includes Inland Letter of Credit, Foreign Letter of Credit, Stand By Letter of Credit and bank guarantee.

### Principal terms of borrowings availed by our Company and Subsidiaries

All indicative key terms of our borrowings are disclosed below:

**Tenor and interest rate:** The tenor of the fund based and non-fund based facilities ranges from upto ten years. The interest rates for the facilities are typically linked to benchmark rates varying from 9.00 % p.a. to 13.50 % p.a., such as the repo rate prescribed by the RBI and marginal cost of funds-based lending rate (“MCLR”) of the specific lender plus a spread per annum is charged above these benchmark rates.

**Security:** In terms of our borrowings where security needs to be created, we are typically required to create security by way of charge on immovable assets (both present and future), movable assets (both present and future) and current assets (both present and future) including receivables, all stock of raw materials, work in progress, finished goods and book debts. Further, facilities availed by our Company are secured by personal guarantees of our Promoters, Surender Pal Singh Saluja and Chiranjeev Singh Saluja.

**Repayment:** Our facilities are typically repayable as per tenure in case of term loans or are repayable on demand in case of working capital facilities.

**Prepayment:** Certain loans availed by us have prepayment provisions which allows for prepayment of the outstanding loan amount and sometimes carry a pre-payment penalty on the pre-paid amount or on the outstanding amount subject to terms and conditions stipulated under the loan documents.

**Penal Interest:** We are bound to pay additional interest to our lenders for defaults in the payment of interest or other monies due and payable. This additional interest is charged as per the terms of our loan agreements and is typically 2.00% over the applicable interest rate.

**Restrictive Covenants:** As per the terms of our loan agreements, certain corporate actions for which our Company requires prior written consent of the lenders include:

- (i) Change in control/ownership/management/directorship of our Company including any change in the remuneration of directors;

- (ii) Amending the constitutional documents of our Company;
- (iii) Effecting any changes to the capital structure or shareholding pattern of our Company;
- (iv) Dilution of Promoter's shareholding below its current level or dilution in the Promoter's controlling stake (whichever is lower);
- (v) Approaching capital market for mobilizing additional resources either in the form of debt or equity;
- (vi) Entering into any scheme of merger, amalgamation, compromise or reconstruction or do a buyback;
- (vii) Undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;
- (viii) Investing by way of share capital or lending funds or placing deposits with any other concern (including our Subsidiaries and group companies); and
- (ix) Pledging shares of the Company or creating any charge on its assets or giving any guarantee on behalf of any other concern.

**Events of Default:** Our borrowing arrangements prescribe the following events of default, including among others:

- (i) Default in repayment of loan facility;
- (ii) If all or material part of business is suspended or ceases to exist, or there is any material change in business;
- (iii) If the loan is used for any other purpose other than the purpose for which the loan is sanctioned;
- (iv) Bankruptcy, insolvency, dissolution; taking advantage of law for the relief of insolvent debtors or entering into any arrangement or composition with creditors;
- (v) Misleading information and representations;
- (vi) Asset or property of the Company is confiscated, attached, taken into custody by any authority or subject to any execution proceeding;
- (vii) Default or failure to repay or perform obligations under any other financing arrangements of the Company;
- (viii) Any other events, conditions or circumstances, which in the opinion of the lender would or is likely to prejudicially or adversely affect in any manner the capacity of the Company to repay the loan.

**Consequences of occurrence of events of default:** Our borrowing arrangements prescribe the following consequences of occurrence of events of default, including among others:

- (i) Demand immediate repayment of the facilities;
- (ii) Terminate the sanctioned facilities;
- (iii) Suspend access to facilities;
- (iv) Convert the outstanding amounts into equity;
- (v) Reconstitute the board of directors and management set-up; and
- (vi) Repossess and sell the hypothecated assets.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us, and the same may lead to consequences other than those stated above. We have obtained the necessary consents

required under the relevant loan documentation for undertaking activities in relation to the Offer, including, inter alia, effecting a change in our shareholding pattern, effecting a change in the composition of our Board and amending our constitutional documents.

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see “*Risk Factors - We are required to comply with certain restrictive covenants under our financing agreements. Any noncompliance may lead to, amongst others, accelerated repayment and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.*” on page 59.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed in this section, there are no (i) outstanding criminal proceedings involving our Company, Subsidiaries, Promoters and Directors (collectively, the “**Relevant Parties**”); (ii) outstanding actions taken by regulatory or statutory authorities involving the Relevant Parties; (iii) disciplinary actions including penalty imposed by SEBI or Stock Exchanges against our Promoters in the last five Financial Years including outstanding action (iv) outstanding claims related to direct and indirect taxes (disclosed in a consolidated manner giving the total number of claims and the total amount involved) involving the Relevant Parties; and (v) any other pending litigation as determined to be material by our Board pursuant to its resolution dated April 15, 2024 (“**Materiality Policy**”) in accordance with the SEBI ICDR Regulations involving the Relevant Parties. As on date of this Draft Red Herring Prospectus, there are no pending litigation involving our Group Companies which may have a material impact on our Company.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including outstanding action, and tax matters, would be considered ‘material’ if:

- (i) *Monetary threshold: the monetary amount of claim by or against the Relevant Parties in any such pending proceeding is in excess of 1% of the net worth of our Company on a consolidated basis, as per the last full year included in the Restated Consolidated Financial Information. Our total net worth on a restated consolidated basis for Fiscal 2023 was ₹3,819.76 million. Accordingly, outstanding litigation involving the Relevant Parties have been considered material and disclosed in this section where the aggregate amount involved in such litigation exceeds ₹38.19 million; or*
- (ii) *Subjective threshold: such pending matters which are not quantifiable, or do not exceed the monetary threshold, involving the Relevant Parties, whose outcome, in the opinion of the Board, would materially and adversely affect the Company’s business, prospects, performance, operations, financial position, reputation or cash flows.*

Further, it is clarified that for the purpose of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding notices issued by governmental, statutory, regulatory, judicial, quasi-judicial or taxation authorities or notices threatening criminal action) shall, in any event, not be considered as litigation until such time that Relevant Parties are impleaded as defendants in litigation proceedings before any judicial/arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further in terms of the Materiality Policy, a creditor shall be considered “material”, if the outstanding dues to such creditor exceeds 5% of the restated consolidated total trade payables of our Company, on a consolidated basis, based on the latest financial period covered in the Restated Consolidated Financial Information. Further, for outstanding dues to any party which is a micro, small or medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding the status of the creditor as defined under Micro, Small and Medium Enterprises Development Act, 2006, as amended, read with the rules and notifications thereunder.

#### **I. Litigation involving our Company**

##### ***Outstanding criminal proceedings involving our Company***

NIL

##### ***Outstanding actions by statutory or regulatory authorities involving our Company***

NIL

##### ***Other pending material litigation involving our Company***

NIL

### *Tax proceedings involving our Company*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ million)
Direct Tax	3	34.07
Indirect Tax	4	31.10
<b>Total</b>	<b>7</b>	<b>65.17</b>

## II. Litigation involving our Subsidiaries

### *Outstanding criminal proceedings involving our Subsidiaries*

NIL

### *Outstanding actions by statutory or regulatory authorities involving our Subsidiaries*

NIL

### *Other pending material litigation involving our Subsidiaries*

NIL

### *Tax proceedings involving our Subsidiaries*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ million)
Direct Tax	1	0.03
Indirect Tax	1	2.06
<b>Total</b>	<b>2</b>	<b>2.09</b>

## III. Litigation involving our Directors

### *Outstanding criminal proceedings involving our Directors*

A criminal complaint has been filed against our Non-Executive Director Sridhar Narayan, amongst others, in his capacity as the nominee director of another entity (“**Defendant Entity**”), under the provisions of Sections 138 and 141 of the Negotiable Instruments Act, 1881, wherein it is alleged that cheques for an aggregate of ₹50.00 million that were issued by the Defendant Entity were dishonoured. Sridhar Narayan, along with other parties, have filed a petition for quashing the complaint under Section 482 of the Code of Criminal Procedure, before the High Court of Telangana and Andhra Pradesh, at Hyderabad (“**High Court**”). The matter is currently pending before the High Court.

### *Outstanding actions by statutory or regulatory authorities involving our Directors*

NIL

### *Other pending material litigation involving our Directors*

NIL

### *Tax proceedings involving our Directors*

NIL

## IV. Litigation involving our Promoters

### *Outstanding criminal proceedings involving our Promoters*

NIL

### *Outstanding actions by statutory or regulatory authorities involving our Promoters*

NIL

***Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action***

NIL

***Other pending material litigation involving our Promoters***

NIL

***Tax proceedings involving our Promoters***

NIL

## **V. Outstanding dues to creditors**

In terms of the Materiality Policy, such creditors are considered ‘material’ to whom the amount due exceeds 5% of the restated consolidated trade payables of our Company, on a consolidated basis, as at December 31, 2023. Our Company owed a total sum of ₹5,015.65 million to a total number of 603 creditors as at December 31, 2023.

The details of outstanding dues owed to MSME creditors, material creditors and other creditors, as at December 31, 2023, are set out below:

<b>Type of creditors</b>	<b>Number of creditors<sup>(1)</sup></b>	<b>Amount involved<sup>(1)</sup> (in ₹ million)</b>
Micro, Small and Medium Enterprises	62	108.95
Material creditors	1	483.17
Other creditors	540	4,423.53
<b>Total</b>	<b>603</b>	<b>5,015.65</b>

<sup>(1)</sup> As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated April 19, 2024.

The details pertaining to outstanding dues to the material creditors along with names and amounts involved for each such material creditor are available on the website of our Company at <https://premierenergies.com/investor-relations/ipo-documents>.

## **Material Developments**

Except as stated in the section “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” on page 351, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months from the date of the filing of the DRHP.



## GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals issued by relevant central and state authorities under various rules and regulations. Set out below is an indicative list of consents, licenses, registrations, permissions, and approvals obtained by (a) our Company and (b) our Material Subsidiaries, PEPPL and PEIPL, which is considered material and necessary for the purposes of undertaking their respective businesses and operations (“Material Approvals”). Some of these may expire in the ordinary course of business, the applications for renewal of which are submitted in accordance with applicable procedures and requirements.*

*Unless otherwise stated, these Material Approvals are valid as on the date of this Draft Red Herring Prospectus. Except as disclosed in this section, no further Material Approvals are required for carrying on the present business operations of our Company and our Material Subsidiaries. For further details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies in India” on page 236.*

*For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see “Risk Factors – Compliance with, and changes in, laws and regulations or stringent enforcement of existing laws and regulations in the jurisdictions in which we operate may adversely affect our business, results of operations and cash flows.” on page 54. For details of approvals and other authorisations obtained by the Company and the Selling Shareholders in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 411.*

### **I. Material Approvals obtained in relation to the business and operations of our Company and our Material Subsidiaries**

We require various approvals, licenses and registrations under several central or state-level acts, rules and regulations to carry on our business activities and operations in India. Our Company and Material Subsidiaries have obtained the following Material Approvals pertaining to their respective businesses and operations, as applicable:

- (i) License to work a factory under the Factories Act, 1948 issued by (i) the State Government of Telangana for our Unit I, Unit II, Unit III and Unit IV manufacturing facilities (ii) the State Government of Jharkhand for our Jharkhand Power Plant.
- (ii) Industrial Entrepreneurs Memorandum issued by the DPIIT, Secretariat of Industrial Assistance, Industrial Entrepreneurs Memorandum Section for our Company and Material Subsidiaries.
- (iii) Licenses for private bonded warehouse with bonded manufacturing facility issued by the Principal Commissioner of Customs, Hyderabad Customs Commissionerate, under the Customs Act, 1962 for our warehouses in Unit I, Unit II, Unit III and Unit IV facilities.
- (iv) Consent to operate from the Telangana Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974, and the Air (Prevention and Control of Pollution) Act, 1981, including exemptions, as applicable, for our Unit I, Unit II, Unit III and Unit IV manufacturing facilities.
- (v) Authorization from the Telangana State Pollution Control Board under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 for our Unit II and Unit III manufacturing facilities.
- (vi) License to store liquid nitrogen gas from the Petroleum & Explosives Safety Organisation under the Static and Mobile Pressure Vessels (Unfired) Rules, 2016 for our Unit II manufacturing facility.
- (vii) License for storage of petroleum from the Petroleum and Safety Organisation under the Petroleum Rules, 2002 for our Unit II manufacturing facility.
- (viii) No-objection certificate from the Telangana State Disaster Response & Fire Services Department for our Unit II and Unit III manufacturing facilities.
- (ix) Licenses from the Bureau of Indian Standards for our Company and Material Subsidiaries.

- (x) Certificate of importer-exporter code issued by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India for our Company and Material Subsidiaries.
- (xi) Registration-cum-membership certificate as merchant cum manufacturer exporter under the provisions of the Foreign Trade Policy, Government of India from Electronics & Computer Software EPC for our Company and Material Subsidiaries.

## **II. Tax related approvals obtained by our Company and Material Subsidiaries**

### **(a) Our Company**

- (i) The permanent account number of our Company is AABCP8800D.
- (ii) The tax deduction account number of our Company is HYDP01078A.
- (iii) Professional tax payer enrolment and registration certificate under the Telangana Tax on Profession Trade, Calling and Employment Act, 1987.
- (iv) Our Company has obtained GST registration certificates issued by the Government of India and the relevant State Governments for GST payments in various states.

### **(b) PEPPL**

- (i) The permanent account number of PEPPL is AAXCS4996H.
- (ii) The tax deduction account number of PEPPL is HYDS44776E.
- (iii) Professional tax payer enrolment and registration certificate under the Telangana Tax on Profession Trade, Calling and Employment Act, 1987
- (iv) PEPPL has obtained GST registration certificates issued by the Government of India and the relevant State Governments for GST payments in the states of Rajasthan and Telangana.

### **(c) PEIPL**

- (i) The permanent account number of PEIPL is AATCA8732D.
- (ii) The tax deduction account number of PEIPL is DELA58955B.
- (iii) Professional tax payer enrolment and registration certificate under the Telangana Tax on Profession Trade, Calling and Employment Act, 1987.
- (iv) PEIPL has obtained GST registration certificate issued by the State Government of Telangana for GST payments in the state of Telangana.

## **III. Labour and Employee related approvals obtained by our Company and our Material Subsidiaries**

- (i) Registration under the Employees' State Insurance Act, 1948.
- (ii) Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- (iii) Registration under the Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under Various Labor Laws by Certain Establishments) Act, 2015; the Delhi Shops and Establishment Act, 1954; and the Telangana Shops and Establishments Act, 1988, as applicable.
- (iv) Registration under the Contract Labour (Regulation and Abolition) Act, 1970.

## **IV. Material Approvals pending in respect of our Company and Material Subsidiaries**

*Material Approvals or renewals applied for but not received*

- (i) Application dated November 7, 2019 by our Company to the Manager, ESI for taking on record change in the name of our Company from Premier Solar Systems Private Limited to Premier Energies Limited.
- (ii) Application dated November 12, 2019 by our Company to the Manager, Employee Provident Fund for taking on record change in the name of our Company from Premier Solar Systems Private Limited to Premier Energies Limited.
- (iii) Application dated November 12, 2019 by our Company to the Deputy Commissioner of Tax Officer, Marredpally Circle, Hyderabad for taking on record change in the name of our Company from Premier Solar Systems Private Limited to Premier Energies Limited.
- (iv) Application dated April 17, 2024 by our Company to the Assistant Labour Commissioner, Guwahati for shops and establishment registration.
- (v) Application dated April 16, 2024 by our Company to the Labour Resources Department, Government of Bihar under the Bihar Shops and Establishments Act, 1995.
- (vi) Application dated April 16, 2024 by our Company to the Raipur Nagar Nigam, Chhattisgarh for shops and establishment license.
- (vii) Application by our Company to the Urban Development and Urban Housing Department, Gujarat for shops and establishment license.
- (viii) Application dated April 16, 2024 by our Company for shops and establishment license in Haryana.
- (ix) Application dated April 19, 2024 by our Company for shops and establishment registration in Jammu and Kashmir.
- (x) Application dated April 16, 2024 by our Company to the Senior Labour Inspector, 29<sup>th</sup> Circle for registration under the Karnataka Shops and Commercial Establishment Act, 1961.
- (xi) Application dated April 16, 2024 by our Company for shops and establishment license in Madhya Pradesh.
- (xii) Application dated April 17, 2024 by our Company for registration under the Rajasthan Shops and Commercial Establishments Acts, 1958.
- (xiii) Application dated April 17, 2024 by our Company for registration under the Tamil Nadu Shops and Establishments Act, 1947.
- (xiv) Application dated April 17, 2024 by our Company to the Labour Commissioner Organization, Uttar Pradesh for registration under the Uttar Pradesh Shops and Commercial Establishment Act, 1962.
- (xv) Application dated April 19, 2024 by PEPPL for shops and commercial establishments license in Haryana.
- (xvi) Application dated April 19, 2024 by PEPPL for registration under the Rajasthan Shops and Commercial Establishments Acts, 1958.
- (xvii) Application dated January 27, 2024 by PEIPL to the Regional Provident Fund Commissioner, Delhi (North) for updating change in name from Azure Power Fifty Five Private Limited to Premier Energies International Private Limited, in Employee Provident Fund Organisation records.
- (xviii) Application by PEIPL to the Employees State Insurance Corporation for changes in registered details.

*Material Approvals expired and not applied for renewal*




Nil

*Material Approvals required but not applied for or obtained*

Nil

### **Intellectual Property**

As on the date of this Draft Red Herring Prospectus, we have four registered trademarks in India, details of which are as given below:

<b>S. No.</b>	<b>Description</b>	<b>Class of Registration</b>	<b>Registering Authority</b>	<b>Registration Number</b>	<b>Date of Expiry</b>
1.		9	Registrar of Trademarks	4371341	December 9, 2029
2.		9	Registrar of Trademarks	5658096	October 21, 2032
3.	Premier Energies (Wordmark)	9	Registrar of Trademarks	4384840	December 21, 2029
4.		9	Registrar of Trademarks	2990972	June 23, 2025

## OUR GROUP COMPANIES

Pursuant to a resolution of our Board dated April 15, 2024 and as per the SEBI ICDR Regulations, for the purpose of identification of group companies, our Company has considered the companies (other than our Subsidiaries) with which (i) there were related party transactions as per Ind AS 24, as disclosed in the Restated Consolidated Financial Information; and (ii) any other companies considered material by our Board pursuant to the Materiality Policy.

With respect to point (ii) above, and in accordance with our Materiality Policy, for the purpose of disclosure in this Draft Red Herring Prospectus, a company shall be considered ‘material’ and will be disclosed as a group company in this Draft Red Herring Prospectus if, it is a member of the Promoter Group (other than the Subsidiaries) and has entered into one or more transactions with the Company during the most recent financial year and stub period, if any, as per the Restated Consolidated Financial Information disclosed in this Draft Red Herring Prospectus, which individually or in the aggregate, exceed 10% of the total consolidated income of the Company for such period.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company has the following Group Companies:

Sr. No.	Group Companies	Registered Office
1.	AKR Constructions (Solar) Private Limited	Plot No. 8-2-684/13, 1 <sup>st</sup> Floor, Bhavani Nagar Colony, Kanakadurga Temple Lane, Road No. 12, Banjara Hills, Hyderabad 500 034, Telangana, India
2.	Benten Developers Private Limited	3 <sup>rd</sup> Floor of Plot No. A-1, Surabhi Plaza, Survey No. 21, 37 & 38, Vikrampuri Colony, Karkhana Road, Secunderabad, Picket, Hyderabad 500 009, Tirumalagiri, Telangana, India
3.	Brightstone Developers Private Limited	3 <sup>rd</sup> Floor of Plot No. A-1, Surabhi Plaza, Survey No. 21, 37 & 38, Vikrampuri Colony Karkhana Road Secunderabad, Picket, Hyderabad 500 009, Tirumalagiri, Telangana, India
4.	Mavyatho Ventures Private Limited	3 <sup>rd</sup> Floor of Plot No. A-1, Surabhi Plaza, Survey No. 21, 37 & 38, Vikrampuri Colony Karkhana Road Secunderabad, Picket, Hyderabad 500 009, Tirumalagiri, Telangana, India
5.	Niyathi Madasu Advisory Inc.	1080 Mayfair Road, Oakville, Ontario L6M 1G7, Canada
6.	PCS Premier Energy Private Limited	3 <sup>rd</sup> floor, V.V. Towers Trimulgheery Main Road, Karkhana, Secunderabad 500 009, Telangana, India
7.	Premier Lords Private Limited	Sy. No. 180, Saluja Towers Tarbund, Secunderabad, Hyderabad 500 009, Telangana, India
8.	Primepack Supports Private Limited	S-115/P, S-116/P, E-City, Raviryal Village, Maheshwaram Mandal, Tummalur, K.V.Rangareddy, Rangareddy 501 359, Telangana, India,
9.	Renovar Energy Private Limited	3 <sup>rd</sup> Floor of Plot No. A-1, Surabhi Plaza, Survey No. 21, 37 & 38, Vikrampuri Colony Karkhana Road, Secunderabad, Picket, Hyderabad 500 009, Tirumalagiri, Telangana, India
10.	Saimeg Infrastructure Private Limited	3-4-753, Barkatpura, Hyderabad 500 027, Telangana, India
11.	Svarog Global Power Private Limited	3 <sup>rd</sup> Floor of Plot No. A-1, Surabhi Plaza, Survey No. 21, 37 & 38, Vikrampuri Colony Karkhana Road Secunderabad, Picket, Hyderabad 500 009, Tirumalagiri, Telangana, India
12.	Vensol (Bidar) Energy Private Limited*	Plot No. 63-75, Kolhar Industrial Area, Bidar, 585 402, Karnataka, India
13.	Vensol (Hubli) Energy Private Limited*	Plot No. 63-75, Kolhar Industrial Area, Bidar, 585 402, Karnataka, India

<b>Sr. No.</b>	<b>Group Companies</b>	<b>Registered Office</b>
14.	Vensol (Nirna) Energy Private Limited*	Plot No. 63-75, Kolhar Industrial Area, Bidar, 585 402, Karnataka, India

\* Ceased to be subsidiaries of the Company by virtue of NCLT order dated April 16, 2021, approving scheme of demerger.

### **Details of our Group Companies**

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit/(loss) after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of our top five Group Companies determined on the basis of their annual turnover, based on their respective audited financial statements for the preceding three years shall be hosted on our website as indicated below:

<b>S. No.</b>	<b>Top five Group Companies</b>	<b>Website</b>
1.	Brightstone Developers Private Limited	<a href="https://premierenergies.com/investor-relations/disclosure-under-regulation-46">https://premierenergies.com/investor-relations/disclosure-under-regulation-46</a>
2.	Svarog Global Power Private Limited	<a href="https://premierenergies.com/investor-relations/disclosure-under-regulation-46">https://premierenergies.com/investor-relations/disclosure-under-regulation-46</a>
3.	Benten Developers Private Limited	<a href="https://premierenergies.com/investor-relations/disclosure-under-regulation-46">https://premierenergies.com/investor-relations/disclosure-under-regulation-46</a>
4.	PCS Premier Energy Private Limited	<a href="https://premierenergies.com/investor-relations/disclosure-under-regulation-46">https://premierenergies.com/investor-relations/disclosure-under-regulation-46</a>
5.	Vensol (Nirna) Energy Private Limited	<a href="https://premierenergies.com/investor-relations/disclosure-under-regulation-46">https://premierenergies.com/investor-relations/disclosure-under-regulation-46</a>

Our Company has provided links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Companies and other information provided on the websites given above does not constitute a part of this Draft Red Herring Prospectus. The information provided on the websites given above should not be relied upon or used as a basis for any investment decision.

Neither our Company nor any of the BRLMs or the Selling Shareholders nor any of the Company's, BRLMs' or any of their respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the websites given above.

### **Nature and extent of interests of our Group Companies**

#### ***In the promotion of our Company***

As on the date of this Draft Red Herring Prospectus, our Group Companies do not have any interest in the promotion or formation 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***

Our Group Companies are not interested in any property acquired by our Company in the three years preceding the date 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***

Our Group Companies are not interested in any transaction for acquisition of land, construction of building or supply of machinery, etc entered into by our Company.

### **Business interest of our Group Companies**

Except as disclosed in "and under ***Restated Consolidated Financial Information – Note 43 - Related party disclosures***" on page 335, our Group Companies do not have any business interest in our Company.

### **Related business transactions**

Except as disclosed below and in “*Restated Consolidated Financial Information – Note 43 - Related party disclosures*” on page 335, there are no other related business transactions with our Group Companies which are significant to the financial performance of our Company, Subsidiaries and Associates.

We have entered into long-term agreements to provide services of operating and maintaining solar power generation facilities owned by certain of our Group Companies, as follows:

1. We have entered into an O&M agreement dated March 19, 2016 with Vensol (Bidar) Energy Private Limited which was extended for a period of five years with effect from March 19, 2021.
2. We have entered into an O&M agreement dated May 17, 2016 with Vensol (Hubli) Energy Private Limited which was extended for a period of five years with effect from May 17, 2021.
3. We have entered into an O&M agreement dated March 19, 2016 with Vensol (Nirma) Energy Private Limited which was extended for a period of five years with effect from March 19, 2021.
4. We have entered into an O&M agreement dated November 18, 2017 with Mavyatho Ventures Private Limited for a period of 10 years from the commencement of operations of the project as stipulated under the agreement.
5. We have entered into an O&M agreement dated April 1, 2019 with Saimeg Infrastructure Private Limited in relation to the Jharkhand Power Plant for a period of 10 years from the date of the agreement.
6. We have entered into an O&M agreement dated July 1, 2020 with Svarog Global Power Private Limited for a period of 5 years from the date of the agreement.

#### **Common pursuits**

Except our Subsidiaries, PEPPL, PEIPL and PEGEPL which are engaged in the same line of business as that of our Company, there are no common pursuits between any joint venture/Associates/Group Companies and our Company as on the date of this Draft Red Herring Prospectus. Our Company and our Subsidiaries will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

#### **Other confirmations**

Our Group Companies do not have any securities listed on any stock exchange.

#### **Litigation**

As on date of this Draft Red Herring Prospectus, our Group Companies are not party to any pending litigation which have a material impact on our Company.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

#### Corporate approvals

- Our Board has authorised the Offer pursuant to a resolution dated March 12, 2024.
- Our Shareholders have authorised the Fresh Issue, pursuant to a special resolution passed at their extraordinary general meeting held on March 12, 2024.
- Our Board has taken on record the consent and authorisation of the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated April 18, 2024.
- This Draft Red Herring Prospectus was approved pursuant to resolutions passed by our Board and IPO Committee on April 18, 2024 and April 19, 2024, respectively.

#### Approvals from the Selling Shareholders

Each of the Selling Shareholders has, severally and not jointly, confirmed and authorised the transfer of its respective portion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Name of the Selling Shareholder	Date of consent letter	Date of board resolution/corporate authorisation, if applicable	Maximum number of Offered Shares
South Asia Growth Fund II Holdings LLC	April 12, 2024	April 12, 2024	23,846,400
South Asia EBT Trust	April 16, 2024	April 16, 2024	153,600
Chiranjeev Singh Saluja	April 13, 2024	-	4,200,000

### In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI, RBI or governmental authorities

Our Company, Promoters, members of our Promoter Group, Directors, or persons in control of our Company and each of the Selling Shareholders are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority or court.

### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Each of our Company, our Promoters, members of our Promoter Group and the Selling Shareholders, severally and not jointly, confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, as on the date of this Draft Red Herring Prospectus.

### Directors associated with the securities market

Except for our Director Raghunathan Kannan, who is a director of Trust AMC Trustee Private Limited, which is the trustee of Trust Mutual Fund bearing SEBI Registration No. MF/075/19/01, none of our Directors are associated with the securities market in any manner. Further, no outstanding action has been initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

### Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following



manner:

- our Company has 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 three preceding full years (of 12 months each), calculated on a restated and consolidated basis; and
- there has been no change of name of our Company at any time during the one year immediately preceding the date of filing of this Draft Red Herring Prospectus.

Set forth below are our Company's net tangible assets, monetary assets as a percentage of our net tangible assets, operating profit and net worth, derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.

*(in ₹ million, except as stated)*

	<b>Financial year ended as on</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Restated net tangible assets	4,303.38	4,099.64	2,559.41
Restated monetary assets	1,163.28	1,283.16	144.54
% of monetary assets to net tangible assets	27.03%	31.30%	5.65%
Restated operating profit	249.70	19.75	420.48
Average restated operating profit		229.98	
Net worth	3,819.76	3,933.87	2,208.31

**Notes:**

- 1) *Net tangible assets means the sum of all the assets of our group excluding intangible assets including goodwill, right of use assets and deferred tax asset (net) reduced by sum of all the liabilities excluding lease liabilities and deferred tax liabilities (net) of the group.*
- 2) *Restated monetary assets means cash and cash equivalents, current investment in mutual funds and bank balance other than cash and cash equivalents (except deposit held as margin money under securitisation and borrowing agreements).*
- 3) *Restated operating profit is computed as Profit/(Loss) before tax and share of profit/loss from associate as per restated consolidated statement of profit and loss and excludes finance cost and other income.*
- 4) *Net worth means: 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.*

For further details, see “**Financial Information**” on page 280.

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. Each of the Selling Shareholders, severally and not jointly, confirms that its respective portion of the Offered Shares is in compliance with Regulation 8 of the SEBI ICDR Regulations, and it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith, in accordance with the SEBI ICDR Regulations and applicable law.

Further, our Company confirms that it is eligible to make the Offer in terms of Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the following conditions specified in Regulation 5 of the SEBI ICDR Regulations:

- (a) neither our Company, nor the Selling Shareholders, our Promoters, the members of our Promoter Group, or our Directors are debarred from accessing the capital markets by SEBI;
- (b) none of our Promoters or our Directors are promoters or directors of companies which are debarred from accessing capital markets by SEBI;

- (c) none of our Company, nor our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower;
- (d) none of our Promoters and our Directors are Fugitive Economic Offenders;
- (e) as on the date of this Draft Red Herring Prospectus, except for employee stock options granted pursuant to the PEL ESOP Scheme and conversion of outstanding CCDs into Equity Shares, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares;
- (f) Our Company along with Registrar to the Offer has entered into tripartite agreements each dated April 3, 2024 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.

#### **DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (“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 BOOK RUNNING LEAD MANAGERS, BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED, J.P. MORGAN INDIA PRIVATE LIMITED AND ICICI SECURITIES 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 BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED, J.P. MORGAN INDIA PRIVATE LIMITED AND ICICI SECURITIES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 19, 2024 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, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/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 BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

#### **Disclaimer from our Company, our Directors, Promoters, the Selling Shareholders and the Book Running Lead Managers**

Our Company, our Directors, Promoters, 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 at [www.premiereenergies.com](http://www.premiereenergies.com) or any of the websites of the Subsidiaries or any affiliate of our Company or of any of the Selling Shareholders, would be doing so at his or her own risk.

Each of the Selling Shareholders, its respective directors, affiliates, partners, associates and officers, accept no responsibility for any statements made or undertakings provided other than those specifically confirmed or undertaken by such Selling Shareholder, and only in relation to itself and/or to the respective Equity Shares offered by such Selling Shareholder through the Offer for Sale.

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, each of the Selling Shareholders (only with respect to itself and its respective portion of the Offered Shares) 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 would be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, trustees, 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 issue, 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, the Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, 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 may engage in transactions with, and perform services for, our Company, its Subsidiaries, Group Companies, Selling Shareholders and their respective directors and officers, 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, its Subsidiaries, Group Companies, Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

### **Disclaimer in respect of jurisdiction**

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, as amended, Hindu Undivided Families ("HUFs"), companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important Non-Banking Financial Companies ("NBFCs") or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority of India ("IRDAI"), permitted provident funds (subject to applicable law) and permitted pension funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, Government of India ("GoI") and permitted Non-Residents including Foreign Portfolio Investors ("FPIs") and Eligible NRIs, Alternate Investment Funds ("AIFs"), 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 to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

### **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 U.S. 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”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in one or more private transactions exempt from the registration requirements under the U.S. Securities Act, and (ii) outside the United States to investors 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.**

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.

**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 the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act, if such an offer or sale is made otherwise than in compliance with the available exemptions from the registration requirements of the U.S. Securities Act and in accordance with applicable securities laws of any state or other jurisdiction of 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.

#### **Disclaimer clause of the BSE Limited**

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by the 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 filing with the RoC.

#### **Disclaimer clause of the National Stock Exchange of India Limited**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the 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 filing with the RoC.

#### **Listing**

The Equity Shares proposed to be Allotted pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission for the listing and trading of the Equity Shares being issued and sold in the Offer and [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling

Shareholders with regard to interest on such refunds as required under the Companies Act, 2013 and any other applicable law will be reimbursed by such Selling Shareholder as agreed among our Company and the Selling Shareholders in writing, in proportion to its respective portion of the Offered Shares. Provided that no Selling Shareholder shall be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder and such liability shall be limited to the extent of its respective Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. Each of the Selling Shareholders, severally and not jointly, shall extend commercially reasonable co-operation to our Company, as may be required solely in relation to its respective Offered Shares, in accordance with applicable law, to facilitate the process of listing the Equity Shares on the Stock Exchanges.

If our Company does not allot Equity Shares pursuant to the Offer within three Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate as may be prescribed by the SEBI.

Each of the Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, to the extent such assistance is required from such Selling Shareholders in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

### **Consents**

Consents in writing of: (a) each of the Selling Shareholders, our Directors, our Promoters, Promoter Group, our Group Companies, our Company Secretary and Compliance Officer, our Statutory Auditor, previous auditor, the legal counsel to the Company, the bankers to our Company, lenders to our Company (wherever applicable), industry report provider, independent chartered accountant, independent chartered engineer, project cost vetting report provider, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank, Refund Bank and Monitoring Agency to act in their respective capacities, will be obtained. Further, such consents obtained under (a) have not been withdrawn up to the date of this Draft Red Herring Prospectus.

### **Experts to the Offer**

Our Company has received written consent dated April 19, 2024 from Deloitte Haskins & Sells, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, 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 Auditor, and in respect of their (i) examination report dated March 14, 2024 relating to the Restated Consolidated Financial Information and (ii) the statement of special tax benefits dated April 19, 2024 included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated April 19, 2024 from Sharad & Associates to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as (i) the previous statutory auditor of our Company, and (ii) the statutory auditor of PEGEPL and in respect of the certificate on source of funds and deployment of funds on the Project provided by them, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated April 19, 2024 from Manian and Rao, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the various certifications issued by them in their capacity as an independent chartered accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated April 19, 2024, from the independent chartered engineer, namely RBSA Advisors LLP, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated April 19, 2024.

Our Company has received written consent dated April 18, 2024, from PS Rao & Associates, Company Secretaries, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent that and in their capacity as practising company secretary, in relation to their certificate dated April 18, 2024. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated April 18, 2024, from RCT Solutions GmbH to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in relation to the RCT Report dated April 18, 2024.

#### **Particulars regarding public or rights issues during the last five years**

Except as disclosed under “*Capital Structure - Notes to Capital Structure - Equity share capital history of our Company*” on page 95, our Company has not undertaken any public issue or any rights issue to the public, during the five years preceding the date of this Draft Red Herring Prospectus.

#### **Commission or brokerage on previous issues in the last five years**

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares during the five years preceding the date of this Draft Red Herring Prospectus.

#### **Capital issues in the preceding three years by our Company, our listed group companies, Subsidiaries and Associates of our Company**

Except as disclosed in “*Capital Structure – Notes to Capital Structure*” on page 95, our Company has not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, none of our Subsidiaries or Group Companies are listed. As on the date of this Draft Red Herring Prospectus, our Associates have not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus.

#### **Performance vis-à-vis objects – public/rights issue of our Company**

Except as disclosed under “*Capital Structure - Notes to Capital Structure - Equity share capital history of our Company*” on page 95, there have been no public issues or any rights issues to the public during the five years preceding the date of this Draft Red Herring Prospectus.

#### **Performance vis-à-vis objects - public/rights issue of any listed subsidiary/Promoters of our Company**

As on the date of this Draft Red Herring Prospectus, none of our Subsidiaries are listed on any stock exchange.

## Price information of past issues handled by the Book Running Lead Managers

### Kotak Mahindra Capital Company Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited.

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	India Shelter Finance Corporation Limited	12,000.00	493	December 20, 2023	620.00	+17.64%, [1.48%]	+10.50%, [+4.28%]	Not Applicable
2.	Honasa Consumer Limited	17,014.40	324 <sup>1</sup>	November 7, 2023	330.00	+17.58%, [+7.89%]	+34.77%, [+12.61%]	Not Applicable
3.	Cello World Limited	19,000	648 <sup>2</sup>	November 6, 2023	829.00	+21.92%, [+7.44%]	+32.99%, [+12.58%]	Not Applicable
4.	Blue Jet Healthcare Limited	8,402.67	346	November 1, 2023	380.00	+4.08%, [+6.02%]	+10.10%, [+14.47%]	Not Applicable
5.	JSW Infrastructure Limited	2,800.00	119	October 3, 2023	143.00	+41.34%, [-2.93%]	+75.04%, [+10.27%]	+106.30%, [+12.42%]
6.	Signatureglobal (India) Limited	7,300.00	385	September 27, 2023	444.00	+35.79%, [-4.36%]	+112.43%, [+8.28%]	+244.65%, [+12.07%]
7.	SAMHI Hotels Limited	13,701.00	126	September 22, 2023	130.55	+15.16%, [-0.93%]	+ 27.94%, [+ 6.81%]	+62.98%, [+9.09%]
8.	Concord Biotech Limited	15,505.21	741 <sup>3</sup>	August 18, 2023	900.05	+36.82%, [+4.57%]	+ 83.91%, [+ 1.89%]	+88.78%, [+12.60%]
9.	SBFC Finance Limited	10,250.00	57 <sup>4</sup>	August 16, 2023	82.00	+51.75%, [+3.28%]	+61.14%, [-0.11%]	+54.12%, [+11.91%]
10.	Utkarsh Small Finance Bank Limited	5,000.00	25	July 21, 2023	40.00	+92.80%, [-2.20%]	+119.00%, [-0.37%]	+144.40%, [+11.58%]

Source: [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com)

#### Notes:

1. In Honasa Consumer Limited, the issue price to eligible employees was ₹ 294 after a discount of ₹ 30 per equity share
  2. In Cello World Limited, the issue price to eligible employees was ₹ 587 after a discount of ₹ 61 per equity share
  3. In Concord Biotech Limited, the issue price to eligible employees was ₹ 671 after a discount of ₹ 70 per equity share
  4. In SBFC Finance Limited, the issue price to eligible employees was ₹ 55 after a discount of ₹ 2 per equity share
  5. In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.
  6. The 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.
  7. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.
  8. Restricted to last 10 equity initial public issues.
2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited.

Financial Year	Total no. of IPOs	Total funds raised (Millions)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			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%
2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	11	179,436.83	-	-	-	2	4	5	-	-	-	7	-	-
2022-23	10	367,209.37	-	1	2	-	3	4	-	2	1	2	3	2

Notes:

1. The information is as on the date of this Draft Red Herring Prospectus.
2. The information for each of the financial years is based on issues listed during such financial year.

### J.P Morgan Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by J.P Morgan Limited.

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Honasa Consumer Ltd. <sup>(b)</sup>	17,014.40	324	November 07, 2023	317.00	+17.6%, [+7.9%]	+34.8%, [+12.6%]	NA
2.	Blue Jet Healthcare Ltd. <sup>(b)</sup>	8,402.67	346	November 01, 2023	380.00	+4.1%, [+6.0%]	+10.1%, [+14.5%]	NA
3.	TVS Supply Chain Solutions Ltd. <sup>(b)</sup>	8,800.00	197	August 23, 2023	207.05	+8.7%, [+1.5%]	+6.6%, [+1.3%]	(7.5%), [+13.4%]
4.	Mankind Pharma Ltd <sup>(b)</sup>	43,263.55	1,080	May 09, 2023	1,300.00	+37.6%, [+2.5%]	+74.1%, [+6.8%]	+64.4%, [+5.3%]
5.	KFin Technologies Ltd <sup>(b)</sup>	15,000.00	366	December 29, 2022	367.00	(13.6%), [-3.2%]	(24.6%), [-6.8%]	(4.5%), [+2.5%]
6.	Life Insurance Corporation of India <sup>(a)</sup>	205,572.31	949 <sup>1</sup>	May 17, 2022	867.20	(27.2%), [-3.3%]	(28.1%), [+9.5%]	(33.8%), [+13.8%]
7.	Rainbow Children's Medicare <sup>(b)</sup>	15,808.49	542 <sup>2</sup>	May 10, 2022	510.00	(13.8%), [+0.7%]	(12.8%), [+7.1%]	+49.2%, [+11.6%]
8.	Adani Wilmar Limited <sup>(b)</sup>	36,000.00	230 <sup>3</sup>	February 08, 2022	227.00	+48.0%, [-5.3%]	+181.0%, [-5.0%]	+193.3%, [+0.8%]
9.	One 97 Communications Limited <sup>(a)</sup>	183,000.00	2,150	November 18, 2021	1,955.00	(38.5%), [-4.4%]	(60.4%), [-2.5%]	(72.5%), [-11.2%]
10.	Nuvoco Vistas Corporation Limited <sup>(a)</sup>	50,000.00	570	August 23, 2021	471.00	(5.8%), [+6.2%]	(9.7%), [+7.3%]	(32.8%), [+4.1%]
11.	Sona BLW Precision Forgings Limited <sup>(a)</sup>	55,500.00	291	June 24, 2021	302.40	+45.2%, [+0.5]	+93.4%, [+12.0%]	+140.3%, [+5.9%]
12.	Macrotech Developers Limited <sup>(a)</sup>	25,000.00	486	April 19, 2021	439.00	+30.2%, [+4.7%]	+75.6%, [+10.8%]	+146.9%, [+27.9%]



Source: SEBI, Source: www.nseindia.com

1. Price on the designated stock exchange is considered for all of the above calculation for individual stocks.
    - (a) BSE as the designated stock exchange;
    - (b) NSE as the designated stock exchange.
  2. In case 30th/90th/180th day is not a trading day, closing price on the stock exchange of the previous trading day has been considered.
  3. Closing price of 30th, 90th, 180th calendar day from listing day has been taken as listing day plus 29, 89 and 179 calendar days respectively.
  4. Pricing performance is calculated based on the Issue price.
  5. Variation in the offer price for certain category of investors are:
    - <sup>1</sup> Discount of ₹45.0 per equity share offered to individual retail bidders and eligible employee(s); with discount of INR 60.0 per equity share offered to policyholder bidders respectively. All calculation are based on Issue price of ₹949 per equity share.
    - <sup>2</sup> Discount of ₹20.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹542 per equity share.
    - <sup>3</sup> Discount of ₹21.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹230 per equity share.
  6. Pricing Performance for the benchmark index is calculated as per the close on the day of the listing date.
  7. Benchmark index considered is NIFTY 50/S&P BSE Sensex basis designated stock exchange for each issue.
  8. Issue size as per the basis of allotment.
2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by J.P Morgan Limited.

Financial Year	Total no. of IPOs	Total funds raised (Millions)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			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%
2023-2024	4	77,481	NA	NA	NA	NA	1	3	NA	NA	NA	1	NA	NA
2022-2023	3	2,36,381	NA	1	2	NA	NA	NA	NA	1	1	NA	1	NA
2021-2022	5	3,49,500	NA	1	1	NA	3	NA	1	1	NA	3	NA	NA

Note: In the event that any day falls on a holiday, the price/ index of the previous trading day has been considered. The information for each of the financial years is based on issues listed during such financial year.

### ICICI Securities Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited.

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Innova Captab Limited^^	5,700.00	448.00	29-Dec-23	452.10	+15.16% [-1.74%]	+1.44% [+1.80%]	NA*
2.	Jyoti CNC Automation Limited^^	10,000.00	331.00 <sup>(1)</sup>	16-Jan-24	370.00	+78.07% [-0.87%]	+135.94% [+2.21%]	NA*
3.	EPACK Durable Limited^	6,400.53	230.00	30-Jan-24	225.00	-19.96% [-1.64%]	NA*	NA*
4.	Apeejay Surrendra Park Hotels Ltd^^	9,200.00	155.00 <sup>(2)</sup>	12-Feb-24	186.00	+17.39% [+3.33%]	NA*	NA*
5.	Rashi Peripherals Limited^	6,000.00	311.00	14-Feb-24	335.00	-0.77% [+1.77%]	NA*	NA*
6.	Jana Small Finance Bank Limited^	5,699.98	414.00	14-Feb-24	396.00	-5.23% [+1.77%]	NA*	NA*
7.	Entero Healthcare Solutions Limited^	16,000.00	1,258.00 <sup>(3)</sup>	16-Feb-24	1,149.50	-19.65% [+0.30%]	NA*	NA*
8.	Juniper Hotels Limited^^	18,000.00	360.00	28-Feb-24	365.00	+43.76% [+1.71%]	NA*	NA*
9.	Popular Vehicles and Services Limited^^	6,015.54	295.00	19-Mar-24	289.20	-15.59% [+1.51%]	NA*	NA*
10.	Bharti Hexacom Limited^	42,750.00	570.00	12-Apr-24	755.20	NA*	NA*	NA*

\*Data not available

^BSE as designated stock exchange

^^NSE as designated stock exchange

<sup>(1)</sup> Discount of Rs. 15 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 331.00 per equity share.

<sup>(2)</sup> Discount of Rs. 7 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 155.00 per equity share.

<sup>(3)</sup> Discount of Rs. 119 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 1,258.00 per equity share.

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ 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%
2024-25*	1	42,750.00	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	28	2,70,174.98	-	-	8	5	8	7	-	-	-	6	-	-
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2

Notes:

(1) Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.

(2) Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.

(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.

## Track record of past issues handled by the BRLMs

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:

Sr. No.	Name of the BRLM	Website
1.	Kotak Mahindra Capital Company Limited	<a href="https://investmentbank.kotak.com/">https://investmentbank.kotak.com/</a>
2.	J.P. Morgan India Private Limited	<a href="http://www.jpmpi.com">www.jpmpi.com</a>
3.	ICICI Securities Limited	<a href="http://www.icicisecurities.com">www.icicisecurities.com</a>

## Stock market data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

## Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or any such period as prescribed under the applicable laws, to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the Self Certified Syndicate Banks (“SCSBs”) for addressing any clarifications or grievances of application supported by blocked amount (“ASBA”) Bidders.

**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 Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, Unified Payments Interface Identity (“UPI ID”), Permanent Account Number (“PAN”), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. For Offer-related grievances, investors may contact the BRLMs, details of which are given in “**General Information – Book Running Lead Managers**” on page 88.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two 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 two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“**SEBI ICDR Master Circular**”) and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“**March 2021 Circular**”), SEBI 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 ICDR Master Circular issued by the SEBI, 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. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, 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 Bid 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.

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.

#### **Disposal of investor grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSBs in case of ASBA bidders 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.

Our Company shall obtain authentication on the SCORES platform and shall comply with the SEBI circulars in relation to redressal of investor grievances through SCORES.

Our Company has appointed Ravella Sreenivasa Rao, as the Company Secretary and Compliance Officer of our Company. See “**General Information – Company Secretary and Compliance Officer**” on page 87.

Each of the Selling Shareholders, severally and not jointly, have authorised Ravella Sreenivasa Rao, the Company Secretary and Compliance Officer of our Company and the Registrar to the offer to redress any complaints received from Bidders solely to the extent of the statements specifically made, confirmed or undertaken by Selling Shareholders in the Offer Documents in respect of themselves and their respective Offered Shares.

Our Company has also constituted a Stakeholders' Relationship Committee to resolve the grievances of the security holders of our Company. See "***Our Management – Stakeholders' Relationship Committee***" on page 269.

Our Company has not received any investor grievances 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 this Draft Red Herring Prospectus.

**Exemption from complying with any provisions of securities laws, if any, granted by Securities and Exchange Board of India**

Our Company has not sought any exemption from complying with any provisions of securities laws as on the date of this Draft Red Herring Prospectus.

***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 VII – OFFER RELATED INFORMATION

### TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to this Offer are and shall be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the Securities Contracts (Regulation) Act, 1956 (“SCRA”), the Securities Contracts (Regulation) Rules, 1957 (“SCRR”), the Memorandum of Association, the Articles of Association, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus and other terms and conditions as may be incorporated in the Confirmation of Allotment Note (“CAN”), Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities, issued from time to time, by SEBI, Government of India (“GoI”), the Stock Exchange, the Registrar of Companies, Telangana at Hyderabad, the Reserve Bank of India, and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as maybe prescribed by SEBI, GoI, the Stock Exchange, the RoC, the RBI, and/or other authorities while granting its approval for the Offer.

#### Ranking of Equity Shares

The Equity Shares being offered/Allotted and transferred pursuant to the Offer will be subject to the provisions of the Companies Act 2013, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment as per the applicable law. See “*Main Provisions of the Articles of Association*” beginning on page 460.

#### Mode of payment of dividend

Our Company will pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect or any other applicable law. Any dividends declared, after the date of Allotment in the Offer, will be payable to the Allottees who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. See “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 279 and 460, respectively.

#### Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹1 each and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company, in consultation the BRLMs, and published by our Company in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Telugu national daily newspaper, Telugu also being the regional language of Telangana, where our Registered 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 purpose of uploading the same 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 respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for Equity Shares offered by way of the Book Building Process.

At any given point in time there will be only one denomination for the Equity Shares.

#### Compliance with disclosure and accounting norms

Our Company shall comply with all 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 Articles of Association, the Equity Shareholders will have the following rights:

1. right to receive dividends, if declared;
2. right to attend general meetings and exercise voting powers, unless prohibited by law;
3. right to vote on a poll either in person or by proxy and e-voting in accordance with the provisions of the Companies Act;
4. right to receive offers for rights shares and be allotted bonus shares, if announced;
5. right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
6. right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
7. such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “*Main Provisions of the Articles of Association*” beginning on page 460.

## **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, 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 dematerialised form only. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

In this context, two agreements have been entered into and amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated April 3, 2024, among NSDL, our Company and the Registrar to the Offer.
- Tripartite agreement dated April 3, 2024, among CDSL, our Company and Registrar to the Offer.

## **Market Lot and Trading Lot**

Since trading of the Equity Shares will be in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of [●] Equity Share, subject to a minimum Allotment of [●] Equity Shares for QIBs and RIIs. For NIBs allotment shall not be less than the Minimum Non-Institutional Application Size. For the method of Basis of Allotment, see “*Offer Procedure*” beginning on page [●].

## **Jurisdiction**

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, Maharashtra, India.

## **Joint Holders**

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

## **Nomination Facility**

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, 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 the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she 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 Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation 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. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Share Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of 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 dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

#### Bid/Offer Period

<b>BID/OFFER OPENS ON*</b>	[●]
<b>BID/OFFER CLOSES ON**#</b>	[●]

\* Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

\*\* Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for Qualified Institutional Buyers (“QIB”) one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

# Unified Payments Interface (“UPI”) mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

<b>FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE</b>	On or about [●]
<b>INITIATION OF REFUNDS FOR ANCHOR INVESTORS/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT*</b>	On or about [●]
<b>CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS</b>	On or about [●]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES</b>	On or about [●]

\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the Self Certified Syndicate Bank(s) (“SCSB”), to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fee for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated



March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.

The above timetable is indicative and does not constitute any obligation on our Company or any of the Selling Shareholders or the BRLMs. Whilst our Company 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 three Working Days of Bid/ Offer Closing Date or such time as may be prescribed by SEBI, with reasonable support and co-operation of each of the Selling Shareholders, as may be required in respect of its respective portion of the Offered Shares, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges or delay in receipt of final certificates from SCSBs, etc. 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. Each of the Selling Shareholder, severally and not jointly, confirms that it shall extend commercially reasonable co-operation to our Company, as may be required solely in relation to its respective Offered Shares, in accordance with applicable law, to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such time as prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working days of Bid/ Offer Closing Date or such time prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

#### Submission of Bids (other than Bids from Anchor Investors):

<b>Bid/Offer Period (except the Bid/Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs, other than QIBs, Non-Institutional Investors and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 12.00 p.m. IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories <sup>#</sup>	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

\*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

<sup>#</sup>QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.

#### On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors; and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the bid closure time from the Bid/Offer Opening Date till the Bid/Offer Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Offer on a daily basis.

It is clarified that Bids shall be processed only after the application monies are blocked in the application supported by blocked amount (“ASBA”) Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 12.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted on the Stock Exchange platform only during Working Days, during the Bid/ Offer Period. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing. Further, 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 the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public/bank 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, 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 provided that the Cap Price will be less than or equal to 120% of the Floor Price provided that the Cap Price shall be at least 105% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of 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, 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, will 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 Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

On the date of closure of the Offer, if our Company does not receive (i) minimum subscription of 90% of the Fresh Issue and (ii) a subscription in the Offer equivalent to at least the minimum number of securities as specified under Rule 19(2)(b) of the SCRR our Company shall forthwith refund the entire subscription amount received. If

there is a delay beyond two days, our Company shall pay interest at the rate of 15% per annum including the circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, issued by SEBI and the SEBI ICDR Master Circular.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of under-subscription in the Offer, Equity Shares up to 90% of the Fresh Issue (“**Minimum Subscription**”) will be issued prior to the sale of Equity Shares in the Offer for Sale. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made first towards Equity Shares offered by the Investor Selling Shareholders and thereafter to the Promoter Selling Shareholder and only then, towards the balance Fresh Issue. The balance Equity Shares of the Fresh Issue (*i.e.*, 10% of the Fresh Issue) will be offered only once the entire portion of the Offered Shares is Allotted in the Offer.

#### **Arrangements for disposal of odd Lots**

Since the Equity Shares will be treated in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

#### **New financial instruments**

Our Company is not issuing any new financial instruments through the Offer.

#### **Restrictions, if any on transfer and transmission of Equity Shares**

Except for lock-in of pre-Offer equity shareholding, minimum Promoter’s contribution and Anchor Investor lock-in in the Offer, as detailed in “*Capital Structure – History of the share capital held by the Promoters - Build-up of Promoters’ shareholding in our Company*” on page 104 and except as provided in our Articles as detailed in “*Main Provisions of the Articles of Association*” beginning on page 460, there are no restrictions on transfers and transmission of shares/debentures and on their consolidation/splitting.

#### **Option to receive Equity Shares in dematerialized form**

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

#### **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, if any, 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, if any, at the time of making a Bid.

#### **Withdrawal of the Offer**

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Offer, in whole or in part thereof, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the 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 and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company, in consultation with the BRLMs withdraw the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a

fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under applicable law. If 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.

## OFFER STRUCTURE

The Offer is up to [●] Equity Shares of face value of ₹1 each, for cash at a price of ₹ [●] per Equity Share aggregating up to ₹15,000 million comprising a Fresh Issue of up to [●] Equity Shares, aggregating up to ₹[●] million by our Company and an Offer for Sale of up to 28,200,000 Equity Shares, aggregating up to ₹[●] million by the Selling Shareholders.

The Offer comprises of a Net Offer of up to [●] Equity Shares and Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹[●] million. The Employee Reservation Portion shall not exceed [●]% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively, of the post-Offer paid-up Equity Share capital of our Company. A discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations and details of which will 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, as may be permitted under the applicable law, aggregating up to ₹3,000.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations.

Particulars	Eligible Employees <sup>#</sup>	Qualified Institutional Buyers (“QIB”) <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment or allocation <sup>*(2)</sup>	Up to [●] Equity Shares	Not more than [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million	Not less than [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million available for allocation or Offer less allocation to QIB Bidders and RIIs	Not less than [●] Equity Shares of face value of ₹1 each available for allocation or Offer less allocation to QIB Non-Institutional Investors
Percentage of Offer Size available for Allotment or allocation	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up Equity Share capital of our Company.	Not more than 50% of the Net Offer shall be available for allocation to QIB Bidders. However, 5% of the Net QIB 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 Net 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 Offer less allocation to QIB Bidders and Retail Individual Investors shall be available for allocation. One-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹1,000,000.	Not less than 35% of the Net Offer or the Offer less allocation to QIB Bidders and Non-Institutional Investors will be available for allocation
Basis of Allotment if respective category is oversubscribed <sup>*</sup>	Proportionate <sup>†</sup> ; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000 (net of Employee Discount, if	Proportionate as follows (excluding the Anchor Investor Portion): a) [●] Equity Shares of face value of ₹1 each shall be available for allocation on a	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category shall be subject to the following: (a) One-third of the Non-Institutional	The allotment to each RII shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares if any, shall be Allotted on a

Particulars	Eligible Employees <sup>#</sup>	Qualified Institutional Buyers (“QIB”) <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
	any). 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 (net of Employee Discount, if any), subject to total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any).	proportionate basis to Mutual Funds only; and b) [●] Equity Shares of face value of ₹1 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Portion (of up to [●] Equity Shares of face value of ₹1 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Category will be available for allocation to Bidders with a Bid size of more than ₹200,000 and up to ₹1,000,000; and (b) Two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹1,000,000 The unsubscribed portion in either of the aforementioned subcategories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The Allotment of Equity Shares to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in Schedule XIII to the SEBI ICDR Regulations	proportionate basis. See “Offer Procedure” beginning on page [●]
Mode of Bid	ASBA Process only (including the UPI Mechanism)	ASBA process only (excluding UPI Mechanism) (except in case of Anchor Investors)^	ASBA Process only (including the UPI Mechanism), to extent of Bids up to ₹500,000	ASBA Process only (including the UPI Mechanism)
Minimum Bid	[●] Equity Shares of face value of ₹1 each and in multiples of [●] Equity Shares of face value of ₹1 each thereafter.	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹1 each such that the Bid Amount exceeds ₹200,000.	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹200,000	[●] Equity Shares of face value of ₹1 each and in multiples of [●] Equity Shares of face value of ₹1 each thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹1 each not exceeding the size of the Offer, subject to applicable limits to each Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹1 each so that the Bid Amount does not exceed ₹200,000.

Particulars	Eligible Employees <sup>#</sup>	Qualified Institutional Buyers (“QIB”) <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
	exceed ₹500,000 less Employee Discount, if any.		to limits applicable to Bidder.	
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share of face value of ₹1 each thereafter	[●] Equity Shares and in multiples of one Equity Share of face value of ₹1 each thereafter	For NIIs allotment shall not be less than the minimum non-institutional application size.	[●] Equity Shares and in multiples of one Equity Share of face value of ₹1 each thereafter
Trading Lot	One Equity Share			
Who can apply <sup>(3)(4)(5)(6)</sup>	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013 (“Companies Act”), scheduled commercial banks, Mutual Funds, Foreign Portfolio Investors (“FPIs”) (other than individuals, corporate bodies and family offices), Venture Capital Funds (“VCFs”), Alternate Investment Funds (“AIFs”), Foreign Venture Capital Investors (“FVCIs”) registered with Securities and Exchange Board of India (“SEBI”), multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with Insurance Regulatory and Development Authority of India (“IRDAI”), provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under subsection (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the	Resident individuals, Non-Resident Individuals (“NRIs”), Hindu Undivided Families (“HUFs”) (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as category II FPIs (as defined in the SEBI FPI Regulations) and registered with SEBI.	Resident individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees <sup>#</sup>	Qualified Institutional Buyers (“QIB”) <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
		Government of India (“GoI”) through resolution F. No.2/3/2005-DD-II dated November 23, 2005, 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 Important Non-Banking Financial Companies (“NBFCs”) in accordance with applicable laws.		
Terms of Payment	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors), that is specified in the ASBA Form at the time of submission of the ASBA Form</p>			

\* Assuming full subscription in the Offer.

<sup>#</sup>Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000 (net of Employee Discount, if any). 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 (net of Employee Discount, if any). In the event of 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 (net of Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any). 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 undersubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of undersubscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

<sup>^</sup>SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and RIIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

- (1) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100,000,000, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100,000,000 but up to ₹2,500,000,000 under the Anchor Investor Portion, subject to a minimum Allotment of ₹50,000,000 per Anchor Investor, and (iii) in case of allocation above ₹2,500,000,000 under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500,000,000, and an additional 10 Anchor Investors for every additional ₹2,500,000,000 or part thereof will be permitted, subject to minimum allotment of ₹50,000,000 per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100,000,000. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the Company in consultation with the BRLMs.
- (2) Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and 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 QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, 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 all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors, of which (a) one-third portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Net Offer shall be available for allocation to RII in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.
- (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.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor



- Investor pay-in date as indicated in the Confirmation of Allotment Note ("CAN").*
- (5) *Bids by FPIs with certain structures as described under "Offer Procedure – Bids by Foreign Portfolio Investors" on page 444 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) may be proportionately distributed.*
- (6) *Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange, on proportionate basis as per the SEBI ICDR Regulations.

## OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by the SEBI 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, 2013, 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 especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all 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/Applicants; (v) issuance of CAN and allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) interest in case of delay in allotment or refund; and (xiii) disposal of applications. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for UPI Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measure for streamlining process for initial public offers and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) to the extent relevant for RTAs, and rescinded these circulars. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar. This circular shall come into force for initial public offers opening on/or after May 1, 2022, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, 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.*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with Applicable Laws and did not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus. Further, our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

*Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.*

### **Book Building Procedure**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process, 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”), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, of which one-third shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above 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 (other than the Anchor Investor Portion). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received 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 QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors (out of which one-third of the portion available to Non-Institutional Investors will be available for allocation to Bidders with a Bid size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a bid size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category). Further, 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 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, if any.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any).

Investors must ensure that their Permanent Account Number (“PAN”) is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021 and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including depository participant’s identity number (“DP ID”), client identification number (“Client ID”), PAN and unified payments interface identity number (“UPI ID”), as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company has appointed the Sponsor Banks to act as a conduit between the Stock Exchanges and National Payments Corporation of India (“NPCI”) in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

NPCI through its circular (NPCI/UPI/OC No. 127/ 2021-22) dated December 9, 2021, inter alia, has enhanced the per transaction limit from ₹200,000 to ₹500,000 for applications using UPI in initial public offerings.

Pursuant to the UPI Circulars, 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 Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send short message service (“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 Working 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.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- (i) a syndicate member;
- (ii) a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
- (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity); or
- (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

#### **Electronic registration of Bids**

- (i) The Designated Intermediary may register the Bids using the online 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 online facilities for Book Building on a regular basis before the closure of the Offer.

- (ii) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (iii) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on 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 Offer for further processing.
- (iv) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

### **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 the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE Limited (“BSE”) (<https://www.bseindia.com>) and the National Stock Exchange of India Limited (“NSE”) (<https://www.nseindia.com>) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders shall Bid in the Offer through the UPI Mechanism. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. UPI Bidders 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. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For all initial public offerings opening on or after September 1, 2022, as specified in SEBI pursuant to its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor’s bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient credit balance such that an amount equivalent to full Bid Amount can be blocked therein, at the time of submitting the Bid. as the application made by a ASBA Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the investor’s bank accounts, pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which is effective from September 1, 2022.

The prescribed colour of the Bid cum Application Form for the 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 <sup>^</sup>	[●]
Non-Residents including Foreign Portfolio Investors (“FPIs”), Eligible Non-Resident Investors (“NRIs”) applying on a repatriation basis, foreign Venture Capital Investors (“FVCIs”) and registered bilateral and multilateral institutions	[●]
Anchor Investors <sup>^^</sup>	[●]
Eligible Employees Bidding in the Employee Reservation Portion <sup>#</sup>	[●]

\*Excluding the electronic Bid cum Application Form.

<sup>^</sup>Electronic Bid cum Application Form will be made available for download on the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com).

<sup>^^</sup>Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

<sup>^^^</sup>Bid cum Application Forms for Eligible Employees will be available only at our branches and offices in India.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For RIIs using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

In case of ASBA Forms, the relevant Designated Intermediaries shall capture and upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

The Sponsor Banks 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 Banks 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 Banks 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 UPI switch data, Core Banking System (“CBS”) data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s).

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

#### **Participation by the Promoters and Promoter Group of our Company, BRLMs, the Syndicate Members and their associates and affiliates and the persons related thereto**

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation.

Except as stated below, neither the BRLMs nor any persons related to the BRLMs can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLMs;
- (ii) insurance companies promoted by entities which are associate of the BRLMs;
- (iii) Alternate Investment Funds (“AIFs”) sponsored by the entities which are associate of the BRLMs;
- (iv) Foreign Portfolio Investors (“FPIs”) other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs; or
- (v) pension funds sponsored by entities which are associate of the BRLMs;

Except to the extent of the Offered Shares, our Promoters and the members of our Promoter Group will not participate in the Offer. Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of the above, a QIB who has the following rights shall be deemed to be a person related to our

Promoters or Promoter Group:

- (i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or Promoter Group;
- (ii) veto rights; or
- (iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" 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.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable laws.

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 can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value ("NAV") 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 schemes. 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 Non-resident Indians ("NRIs")**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorise their SCSB to block their Non-Resident External ("NRE") accounts (including UPI ID, if activated), or foreign currency non-resident accounts ("FCNR Accounts"), and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. 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 non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Participation of Eligible NRIs in the Offer shall be subject to the Foreign Exchange Management Act ("FEMA") Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and Overseas Citizen of India ("OCI") put together shall not exceed 10% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate

ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 458.

### **Bids by Hindu Undivided Families (“HUFs”)**

Bids by Hindu Undivided Families or HUFs, 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 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 may be considered at par with Bids from individuals.

### **Bids by Eligible Employees**

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 (net of Employee Discount, if any) on a net basis. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). Allotment in the Employee Reservation Portion will be as detailed in the section “*Offer Structure*” beginning on page 432.

However, Allotments to Eligible Employees in excess of ₹200,000 (net of Employee Discount, if any) shall be considered on a proportionate basis, in the event of under-subscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any). Subsequent under-subscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form.
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ first Bidder shall be the Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any, would be considered for allocation under this portion.
- The Bids 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 subject to a maximum Bid Amount of ₹500,000 on a net basis.
- Eligible Employees bidding in the Employee Reservation Portion can Bid through the UPI mechanism
- If the aggregate demand in this portion 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.
- 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.
- Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form or Revision Form.

In the event of 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, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000.



### **Bids by Foreign Portfolio Investors (“FPIs”)**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company 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. Bids by FPIs which utilise the multi-investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

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, in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

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 22 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI 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.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the multiple investment managers (“MIM”) Structure, and bear the same PAN, are liable to be rejected. 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 in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI 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 confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form “*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.*”

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “FPI Group”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

## **Bids by Securities and Exchange Board of India (“SEBI”) registered Venture Capital Funds (“VCFs”), Alternate Investment Funds (“AIFs”) and Foreign Capital Investors (“FVCIs”)**

SEBI VCF Regulations as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations 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. SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

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 or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

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.

### **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, in consultation with the 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 the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves 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, as amended (the “**Banking Regulation Act**”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, 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, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank’s paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that 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, or to protect the bank’s interest on loans/investments made to a company.

### **Bids by Self-Certified Syndicate Banks (“SCSBs”)**

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012, and January 2, 2013, respectively, 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 applications.

### **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, our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, read with the Investments – Master Circular dated October 27, 2022, each as amended, are broadly set forth below:

- (a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by Provident Funds/Pension Funds**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250,000,000, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a 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, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

### **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, systematically important non-banking finance company (“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 ₹250,000,000 (subject to applicable laws) and pension funds with a minimum corpus of ₹250,000,000, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, 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 reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, 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, in consultation with the BRLMs, may deem fit.

### **Bids by Anchor Investors**

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:

- (a) 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 ₹100,000,000. 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 ₹100,000,000.
- (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 may finalise allocation to the Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100,000,000;
  - (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100,000,000 but up to ₹ 2,500,000,000, subject to a minimum Allotment of ₹ 50,000,000 per Anchor Investor; and
  - (iii) in case of allocation above ₹2,500,000,000 under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500,000,000, and an additional 10 Anchor Investors for every additional ₹ 2,500,000,000, subject to minimum Allotment of ₹50,000,000 per Anchor Investor.
- (f) 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 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) 50% of the Equity Shares Allotted to the Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the 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.
- (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) shall apply in the Offer under the Anchor Investor Portion. See “– *Participation by the Promoters and Promoter Group of our Company, BRLMs, the Syndicate Members and their associates and affiliates and the persons related thereto*” above.

- (k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by NBFC-SI registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the NBFC-SI, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Bidders are advised to make their independent investigations and ensure that any single Bid from it does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by it under applicable law or regulation or as specified in the Red Herring Prospectus and the Prospectus.

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, the Selling Shareholders and/or the Book Running Lead Managers 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 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.

### **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. RIIs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

#### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e.,

bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;
7. UPI Bidders Bidding using the UPI Mechanism in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
8. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
9. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 pm on the Bid/Offer Closing Date;
10. Ensure that the signature of the first bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
11. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
12. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, 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 the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, 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 beneficial 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;
15. FPIs making MIM 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 MIM Bids shall be rejected;
16. 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;
17. 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;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian

laws;

20. 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;
21. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN entered into the online initial public offerings (“**IPO**”) system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;
22. 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>);
23. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, 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. In case of UPI Bidder Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
26. The ASBA Bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
27. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Banks issues the Mandate Request, the UPI Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
28. Bidding through 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 authorisation of the mandate using his/her UPI PIN, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the UPI Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
29. UPI Bidders 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. UPI Bidders 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 Banks to authorise blocking of funds equivalent to the revised Bid Amount 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 recategorized as category II FPI and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category 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; and
32. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.



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 on the list available on the website of SEBI and updated from time to time and at such other websites as may be prescribed by SEBI from time to time is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. 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;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA Account;
11. 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;
12. 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;
13. 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);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the 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 this Draft Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. If you are UPI Bidder and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
19. Anchor Investors should not bid through the ASBA process;
20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
21. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

22. Do not submit the GIR number instead of the PAN;
23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;
24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);
26. 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 can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
30. 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 UPI Bidders using the UPI Mechanism;
31. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
32. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;
33. Do not Bid if you are an OCB; and
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Member shall ensure that they do not upload any bids above ₹ 5,00,000.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

For helpline details of the BRLMs pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “**General Information – Book Running Lead Managers**” on page 88.

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 Chief Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information – Company Secretary and Compliance Officer**” on page 87.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 2 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 SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in the 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 RIIs, non-institutional investors (“**NIIs**”) 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 Anchor Investors shall be on a discretionary basis.

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. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Payment into Anchor Investor Escrow Account**

Our Company, in consultation with the BRLMs 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, real time gross settlement (“**RTGS**”), national automated clearing house (“**NACH**”) or national electronic fund transfer (“**NEFT**”) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) 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 Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Telugu national daily newspaper, Telugu also being the regional language of Telangana, where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

**The information set out above is given for the benefit of the Bidders/applicants. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

In accordance with RBI regulations, Overseas Corporate Body (“OCB”) cannot participate in the Offer.

### **Allotment Advertisement**

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLMs and the Registrar to the Offer shall publish an allotment advertisement not later than one Working Day after the commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Telugu national daily newspaper, Telugu also being the regional language of Telangana, where our Registered Office is located).

### **Signing of the Underwriting Agreement and Filing with the RoC**

- a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price but prior to the filing of the Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

### **Impersonation**

Attention of the applicants 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 1% of the turnover of our 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 our 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.

### **Undertakings by our Company**

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps 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 are taken within such other time period as may be prescribed by the SEBI or applicable law will be taken;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- if Allotment is not made within the prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- where release of block on the applicable amount for unsuccessful Bidders or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the applicants;
- adequate arrangements shall be made to collect ASBA applications;
- that if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given by our Company 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 shall be informed promptly;
- that if our Company and/or the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer;
- Except for (i) the issuance of Equity Shares pursuant to exercise of options vested and/or granted under the PEL ESOP Scheme; and (ii) Pre-IPO Placement No further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.; and
- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

### **Undertakings by the Selling Shareholders**

Each of the Selling Shareholder, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself as a Selling Shareholder and its respective portion of the Offered Shares:

- that 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;
- it is the legal and beneficial owner of its respective portion of the Offered Shares with valid and marketable title, and shall be transferred pursuant to the Offer, free and clear of any encumbrances;
- it shall transfer its respective portion of the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;

- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer;
- its respective portion of the Offered Shares are fully paid and are in dematerialized form; and
- it shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from the Stock Exchanges in accordance with applicable law.

#### **Utilisation of proceeds from the Offer**

Our Board certifies that:

- (i) all monies received out 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, 2013;
- (ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- (iii) details of all unutilised 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 unutilised monies have been invested.

## 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. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy and Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the “**Consolidated FDI Policy**”), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

In terms of Press Note 3 of 2020, dated April 17, 2020 (“**Press Note**”), issued by the DPIIT, the Consolidated FDI Policy and the FEMA (Non-debt Instruments) Rules has been amended to state that all investments under the foreign direct investment route 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 of India. 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 of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 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 or fund in India. 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 to the Offer in writing about such approval along with a copy thereof within the Offer Period.

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 Consolidated FDI 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 Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible Non-resident Indians*” and “*Offer Procedure – Bids by Foreign Portfolio Investors*” on page 442 and 444, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares offered in the Issue 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 U.S. 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”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in one or more private transactions exempt from the registration requirements under the U.S. Securities Act, and (ii) outside the United States to 494 investors 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.

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.

For further details, see “*Offer Procedure*” beginning on page 437.

The above information is given for the benefit of the Bidders. Our Company 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 the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.



## SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company (“Articles”) are detailed below.*

### **APPLICABILITY OF TABLE F**

Subject as hereinafter provided and in so far as these presents do not modify or exclude them the regulations contained in Table ‘F’ of Schedule I of the Companies Act, 2013, as amended from time to time, shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

The regulations for the management of our Company and for the observance of the members thereto and their representatives, shall, subject to any exercise of the statutory powers of our Company with reference to the deletion or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by the Companies Act, 2013, as amended, be such as are contained in these Articles.

The Articles of Association of the Company comprise two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the date of the filing of the red herring prospectus of the Company with the relevant registrar of companies (“**RHP Filing Date**”) in connection with its initial public offering (the “**IPO**” of the “**Equity Shares**” of the Company). In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. All articles of Part B shall automatically terminate and cease to have any force and effect on and from the RHP Filing Date and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

### **PART A**

#### **1. INTERPRETATION**

##### **1.1 In these Articles:-**

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 at which the Articles become binding on the Company. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined for use.

“**Act**” means the Companies Act, 2013 and the Companies Act, 1956 (in each case, to the extent applicable), the rules and regulations prescribed thereunder, as now enacted or as the same may from time to time be amended, replaced or re-enacted;

“**Articles**” shall mean the articles of association of the Company as amended from time to time

“**Auditors**” means independent, statutory auditors of the Company;

“**Beneficial Owner**” shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of Depositories Act, 1996 (including any statutory modification or re-enactment thereof);

“**Board**” means the board of directors of the Company in office at the relevant time;

“**Business Day**” means a day (other than a Saturday or Sunday or public holiday in India or the United States of America) on which banks are open in the United States of America, Mumbai, Hyderabad, Telangana, India, for general commercial business;

“**Business Plan**” means the business plan for the Company, relating to the relevant Financial Year;

“**Company**” means “**PREMIER ENERGIES LIMITED**” called by whatever name.

**“Consent”** means any consent, approval, authorization, waiver, permit, grant, franchise, license, certificate, exemption, permission, order, registration, declaration, filing, report or notice of, with, to, from or by any Person, including any third party consents, not limited to lender consents, in each case, evidenced in writing;

**“Contract”** means any agreements, contracts, instruments, obligations, offers, legally binding commitments, arrangements and understandings, (whether written or oral) including all loan agreements, indentures, letters of credit (including related letter of credit applications and reimbursement obligations), mortgages, security agreements, pledge agreements, deeds of trust, bonds, notes, guarantees, surety obligations, warranties, licenses, franchise, permits, powers of attorney, purchase orders, leases, including any amendment variation, termination or extension under or in respect of any of the foregoing;

**“Control”** (including with correlative meaning, the terms, Controlling and Controlled by), with respect to a Person, means the acquisition or control of more than 50% (fifty per cent.) of the voting rights or of the issued share capital of such Person or the right to appoint or remove all or the majority of the members of the board of directors or other governing body of such Person, the power to direct or cause the direction of the management, to manage and exercise significant influence on the management or policies of such Person, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, through Contract or otherwise;

**“Depository”** means a company formed and registered within the meaning of the Act, and which has been granted a Certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992;

**“Depositories Act”** means the Depositories Act, 1996 or any statutory modification or re-enactment thereof;

**“Director”** means a director for the time being of the Company and includes any person appointed as a director of the Company in accordance with these Articles and the provisions of the Act, from time to time;

**“Encumbrance”** (including with correlative meaning, the term, *Encumber*) means any mortgage, pledge, charge (whether fixed or floating), hypothecation, lien, security interest or other encumbrances of any kind securing or conferring any priority of payment in respect of any obligation of any Person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security;

**“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;

**“Equity Shares”** means equity shares of the Company having a face value of INR 1 (Rupee One) each;

**“Financial Year”** means a continuous period of 12 (twelve) months commencing on 1 April of a calendar year and ending on 31 March in the immediately succeeding calendar year;

**“General Meetings”** shall mean any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary general meeting;

**“Governmental Authority”** means any governmental, regulatory or statutory authority, government department, agency, commission, board, tribunal or court or other entity authorized to make Laws, rules or regulations or pass directions, orders or awards, having or purporting to have jurisdiction or any state or other subdivision thereof or any municipality, district or other subdivision thereof having jurisdiction pursuant to applicable Laws;

**“Key Managerial Personnel”** in relation to the Company, means collectively, the chief executive officer/managing director/manager, the company secretary, the whole-time directors, the chief financial officer, such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board and such other officer as maybe prescribed.

**“Law”** means

- i. in relation to the Persons domiciled or incorporated in India, all applicable statutes, enactments, acts of legislature or Parliament, Laws, ordinances, rules, by-Laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, various governmental agencies, statutory and/or regulatory authorities or any stock exchange(s) in India or in any jurisdiction but applicable to such Persons domiciled or incorporated in India; and
- ii. in relation to Persons domiciled or incorporated overseas, all applicable statutes, enactments, acts of legislature, Laws, ordinances, rules, by-Laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, various governmental agencies, statutory and/or regulatory authorities or any stock exchange(s) of the relevant jurisdiction of such Persons;

**“Litigation”** includes any action, claim, demand, suit, proceeding, citation, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise, in Law or in equity, pending by or before any court, tribunal, arbitrator or other Governmental Authority;

**“Member”** means a member of the Company within the meaning of Clause (55) of Section 2 of the Act, as amended from time to time;

**“Memorandum of Association”** shall mean the memorandum of association of the Company, (as from time to time amended, modified or supplemented);

**“Office”** means the registered office of the Company;

**“Ordinary Course of Business”** means the usual and ordinary course of business consistent with past custom and practice, being in compliance with applicable Law in all material respects;

**“Person”** shall mean any natural person, limited or unlimited liability company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable Law;

**“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;

**“Representative”** means, in relation to a Party, its Affiliates and their directors, officers, managers, employees (including those on secondment), agents, advisers, accountants and consultants of that Party and / or of its respective Affiliates;

**“SEBI Regulations”** shall mean the Securities and Exchange Board of India Act, 1992, and the rules and regulations framed thereunder as applicable to the Company, including but not limited to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes where the context so admits, any re-enactment or statutory modification thereof, for the time being in force;

**“Securities”** means all classes of shares / securities in the share capital of the Company, including, without limitation, the Equity Shares, compulsorily convertible debentures, preference shares, and any options, warrants or other securities issued from time to time, which are convertible into or entitle the holder to acquire or receive any Equity Shares, or preference shares;

**“Shareholder”** or **“Members”** means any Person who holds any Equity Shares, preference shares and convertible Securities of the Company and shall include Beneficial Owners whose names are entered as Beneficial Owners in the records of the Depository(ies);

**“Shares”** means a share in the Share Capital of the Company and includes stock.

**“Share Capital”** means Equity Share Capital and Preference Share Capital;

**“Transfer”** (including with correlative meaning, the term, *Transferred* and *Transferring*) includes any transfer, assignment, sale, disposal, lease, alienation, amalgamation, merger or Encumbrance, in each case, whether voluntary or involuntary; and

**“Working Hours”** means 9:00 AM to 6: 00 PM in the relevant location, on a Business Day.

- 1.2 The terms “writing” or “written” include printing, typewriting, lithography, photography and any other mode or modes (including electronic mode) of representing or reproducing words in a legible and non-transitory form.
- 1.3 The headings hereto shall not affect the construction hereof.
- 1.4 Notwithstanding anything contained in these Articles, any reference to a “person” in these Articles shall, unless the context otherwise requires, be construed to include a reference to a body corporate or an association, any individual, company, partnership, joint venture, firm, trust or body of individuals (whether incorporated or not).
- 1.5 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.
- 1.6 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.

## **2. PUBLIC COMPANY**

- 2.1 The Company is a public company as defined in clause (71) of Section 2 of the Act.

## **3. SHARE CAPITAL AND VARIATION OF RIGHTS**

- 3.1 The authorized Share Capital of the Company shall be as per 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 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.
- 3.2 Subject to the provisions of the Act and other provisions of these Articles, the shares in the capital of the Company shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the approval of the Company in a General Meeting, if any required under the applicable provisions of law, 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 Directors deem fit, and may issue and allot shares in the capital of the Company 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 and any shares which may so be allotted may be issued as fully paid shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the approval of the Company in the General Meeting.
- 3.3 Subject to the provisions of the Act, the Company may issue sweat equity shares if such issue is authorized by a special resolution passed by the Company in the general meeting. The Company may also issue equity shares to its employees including directors, employees including directors of its Subsidiaries under an employee stock option plan (**ESOP**) adopted by the Company in accordance with the provisions of the Act and these Articles.

- 3.4 A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act. Save as otherwise provided herein, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly 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.
- 3.5 Further, the Board shall be entitled to issue, from time to time, subject to applicable Law, any other securities, including securities convertible into shares, exchangeable into shares, or carrying a warrant, with or without any attached securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue.
- 3.6 Except as required by law, no Person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 3.7 The Company may exercise the powers of paying commissions conferred by sub-section (6) of Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40 of the Act. 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.
- 3.8 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 Section 48 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 meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two Persons holding at least one third of the issued shares of the class in question.
- 3.9 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.
- 3.10 Subject to the provisions of Section 55 of the Act and other provisions these Articles , any preference shares may, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by a resolution, determine.

#### **4. DEMATERIALISATION OF SECURITIES**

- 4.1 Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its Shares, debentures and other securities and offer such Shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the regulations made thereunder.
- 4.2 Notwithstanding anything contained in the Articles, and subject to the provisions of the Law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the Shares, which are in dematerialized form as per the provisions of the Act.
- 4.3 Every person subscribing to Securities offered by the Company shall have the option to receive Security certificates or to hold the Securities with a Depository. Such a person who is the Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of Securities.

- 4.4 If a person opts to hold his Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security, and on receipt of the information, the Depository shall enter in its record, the name of the allottee as the Beneficial Owner of the Security.
- 4.5 All Securities held by a Depository shall be dematerialised and shall be in fungible form. No Certificate shall be issued for the Securities held by the Depository. Nothing contained in Section 89 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
- 4.6 Nothing contained in Section 56 of the Act or these Articles, shall apply to a transfer of Securities effected by a transferor and transferee, both of whom are entered as Beneficial Owners in the records of a Depository and such transfer of the Securities shall be in accordance with the Depositories Act and SEBI Regulations.
- 4.7 Notwithstanding anything contained in the Act or these Articles, where the Securities are dealt with in or by a Depository, the Company shall intimate the details of allotment of relevant Securities to the Depository within 07 days on allotment of such Securities.
- 4.8 Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- 4.9 The register of Members and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be the register and index of Members and other Security holders for the purposes of these Articles.
- 4.10 Rights of Depositories and Beneficial Owners:
- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purpose of effecting transfer of ownership of Security on behalf of the Beneficial Owner.
  - (ii) Save as otherwise provided in (a) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
  - (iii) Every person holding Securities of the Company and whose name is entered in the register of Member or whose name appears as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company and as absolute owner thereof and accordingly, shall not (except as ordered by competent Court or any other applicable law) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice. The Beneficial Owners of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of their Securities which are held by the Depository.
- 4.11 Notwithstanding anything in the Act or these Articles to the Contrary, where Securities 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 floppies or discs or any other mode as prescribed by Law from time to time.

## **5. SHARE CERTIFICATES**

- 5.1 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 one certificate for all his Shares without payment of any charges.
- 5.2 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.
- 5.3 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, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

## 6. LIEN

6.1 The Company shall have a first and paramount lien –

- (i) every security (not being a fully paid-up) registered in the name of each Member or holder, respectively (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 monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture; and
- (ii) on all Securities on all Shares or debentures (not being fully paid Shares or debentures) standing registered in the name of a single Person, for all monies presently payable by him or his estate to the Company; and no equitable interest in any Share or debenture shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/debentures. Further, the Fully paid-up Shares shall be free from all Liens and in case of partly paid-up Shares, the Company's Lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

6.2 The fully paid-up shares shall be free from all liens.

6.3 The Company's Lien, if any, on a Share shall extend to all dividends and bonuses declared and payable by the Company from time to time in respect of such securities.

6.4 The Company's Lien, if any, on a debenture shall extend to the interest payable from time to time in respect of such debentures.

6.5 The Company may sell, in such manner as the Board thinks fit, any Securities 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.

6.6 To give effect to any such sale, the Board may authorise some Person to transfer the shares sold to the purchaser thereof.

- (i) The purchaser shall be registered as the holder of the Securities comprised in any such transfer.
- (ii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Securities be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (iii) 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. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Securities before the sale, be paid to the Person entitled to the shares at the date of the sale.

## **7. CALLS ON SHARES**

- 7.1 Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their Securities (whether on account of the nominal value of the Securities or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- (i) 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.
  - (ii) 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.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
- 7.2 The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.
- 7.3 A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
- 7.4 The joint holders of Securities shall be jointly and severally liable to pay all calls in respect thereof.
- 7.5 If a sum called in respect of a Securities is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 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.
- 7.6 Any sum which by the terms of 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 regulations, 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 regulations 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.
- 7.7 The Board –
- a) may, if it thinks fit, subject to the provisions of Section 50 of the Act, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve per cent) per annum, as may be agreed upon between the Board and the Member paying the sum in advance.
- 7.8 Where any calls for further Share Capital are made on the Shares of a class, such calls shall be made on a uniform basis on all Shares falling under that class. For the purposes of this Article, Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

Provided that money paid in advance of calls on any Share may carry interest but shall not confer a right to dividend or to participate in profits.



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.

## **8 TRANSFER OF SHARES**

8.1 Notwithstanding anything contained herein, in the case of transfer of Equity Shares or other Securities where the Company has not issued any certificates and where the Equity Shares or Securities are being held in an electronic and fungible form, the provisions of Depositories Act and SEBI (Depositories and Participants) Regulations, 2018 shall apply. The Company shall use common form of transfer, as prescribed under the Act, in all cases.

8.2 The Board may decline to recognize any instrument of transfer unless the instrument of transfer of any Securities in the Company shall be executed by or on behalf of both the transferor and transferee in accordance with Section 56 of the Act.

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.

8.3 Subject to the provisions of these Articles, Sections 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, and other applicable provisions of the Act or any other law for the time being in force, the Board may decline or refuse by giving reasons, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of 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 the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being 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.

8.4 Transfer of shares/debentures in whatever lot shall not be refused.

8.5 The Board may, subject to the right of appeal conferred by section 58 decline to register –

- (i) the transfer of Securities, not being a fully paid share, to a Person of whom they do not approve; or
- (ii) any transfer of Securities on which the Company has a lien.

8.6 The Board may decline to recognise 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;
- (ii) the instrument of transfer is accompanied by the certificate of the Securities 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 Securities.

8.7 On giving not less than 7 (seven) days' previous notice in accordance with Section 91 of the Act and rules made thereunder, 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 thirty days at any one time or for more than forty-five days in the aggregate in any year.

8.8 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 document.

## **9 TRANSMISSION OF SHARES**

- 9.1 On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only Persons recognised by the Company as having any title to his interest in the Securities.

Nothing in this article shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other Persons.

- 9.2 Any Person becoming entitled to a Securities in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –

- (i) to be registered himself as holder of the Securities; or
- (ii) to make such transfer of the share as the deceased or insolvent Member could have made.

- 9.3 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.

- 9.4 If the Person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

If the Person aforesaid shall elect to transfer the Securities, he shall testify his election by executing a transfer of the Securities.

All the limitations, restrictions and provisions of these regulations 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.

- 9.5 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 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 ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

## **10 FORFEITURE OF SHARES**

- 10.1 If a Member fails to pay any call, or instalment of a call, 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.

- 10.2 The notice aforesaid shall–

- (i) name a further day (not being earlier than the expiry of 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 shall be liable to be forfeited.

- 10.3 If the requirements of any such notice as aforesaid are not complied with, any Securities 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.
- 10.4 A forfeited Security may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 10.5 A Person whose Securities have been forfeited shall cease to be a Member in respect of the forfeited Securities, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. 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 Securities.
- 10.6 (i) 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 Persons claiming to be entitled to the Securities;
- (ii) 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 Securities in favour of the Person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 10.7 The provisions of these articles as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## **11 FURTHER ISSUE OF SHARES**

- 11.1 The Company may, from time to time, in accordance with the provisions of the Act, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 11.2 Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:
- (A)
- (i) To the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;
- (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days or such lesser number of days as may be prescribed under applicable Indian law and not exceeding 30 (thirty) days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.
- (iii) 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(ii) shall contain a statement of this right;

- (iv) 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 may dispose of them in such manner as may be prescribed under applicable law; or
  - (B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or
  - (C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, subject to compliance with applicable law;
- 11.3 Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company (whether such option is conferred in these Articles or otherwise) or to subscribe for shares in the Company;

Provided that the terms of issue of such debentures or the terms of such loans containing such option:

- (a) Either has been approved by the Central Government before the issue of debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and
- 11.4 Notwithstanding anything contained in 11.3 above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

- 11.5 In determining the terms and conditions of conversion as provided in 11.4 above, the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary
- 11.6 Where the Government has, by an order made as provided in 11.4 above, directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal as provided in 11.4 above or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized Share Capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

## **12 ALTERATION OF CAPITAL**

- 12.1 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.
- 12.2 Subject to the provisions of Section 61 of the Act and Articles, the Company may, from time to time by ordinary resolution:
- (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 existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any Person.

12.3 Where Equity 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.

- (ii) 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.
- (iii) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “Equity Share” and “Shareholder” in those regulations shall include “stock” and “stockholder” respectively.

12.4 The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and Consent required by law,—

- (i) its share capital;
- (ii) any capital redemption reserve account; or
- (iii) any share premium account.

### **13 CAPITALISATION OF PROFITS**

13.1 (i) The Company may its in general meeting and subject to Articles may, upon the recommendation of the Board, resolve –

- (a) 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
- (b) that such sum be accordingly set free for distribution in the manner specified in Article (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision in this Article, either in or towards –

- (a) paying up any amounts for the time being unpaid on any shares held by such Members respectively;
- (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;

- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
  - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;
  - (e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- 13.2 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.
- 13.3 The Board shall have power –
- (i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (ii) to 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;
- 13.4 Any agreement made under such authority shall be effective and binding on such Members.

## **14 BUY-BACK OF SHARES**

- 14.1 Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 of the Act and other applicable provisions of the Law, the Company shall have the power to buy-back its own Shares or other securities, as it may consider necessary.

## **15 GENERAL MEETINGS**

- 15.1 All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
- 15.2 The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two Members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
- 15.3 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.
- 15.4 A meeting of the Shareholders shall be convened by serving at least 21 (twenty one) days' prior written notice, to all the Shareholders, with such notice being accompanied by an agenda setting out in reasonable detail the items of business proposed to be transacted thereat together with the relevant information and / or supporting documents (including the text of the proposed resolutions) pertaining thereto, and an explanatory statement containing the relevant information relating to the agenda for the meeting of the Shareholders, provided that a meeting of the Shareholders may be convened by a shorter notice subject to applicable Law.

## **16 PROCEEDINGS AT GENERAL MEETINGS**

- 16.1 No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business.. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 16.2 The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.
- 16.3 If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the directors present shall elect one of their Members to be Chairman of the meeting.
- 16.4 If at any meeting no director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their Members to be Chairman of the meeting.
- 16.5 The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

## **17 ADJOURNMENT OF MEETING**

- 17.1 No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 17.2 When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- 17.3 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.

## **18 VOTING RIGHTS**

- 18.1 Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
- (a) on a show of hands, every Member present in person shall have 1 (one) vote; and
  - (b) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up Equity Share Capital.
- 18.2 A Member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 18.3 In the case of joint holders, the vote of the senior who tenders a vote, whether in Person or by 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 stand in the register of Members.
- 18.4 A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, 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.
- 18.5 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 18.6 No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

- 18.7 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

## **19 PROXY**

19.1 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 of the Company not less than 48 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 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

19.2 An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

19.3 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 adjourned meeting at which the proxy is used.

## **20 BOARD OF DIRECTORS**

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. The Company shall have such minimum number of independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable Laws and regulations. Further, the appointment of such independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable Law.

- 20.1 Subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.
- 20.2 None of the directors shall be required to hold any qualification shares in the Company.
- 20.3 Subject to Section 197 and other applicable provisions of the Act, the remuneration of Directors may be a fixed sum by way of monthly payment or a percentage of the net profits or partly by one way and partly by the other.
- 20.4 The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- 20.5 In addition to the remuneration payable to them in pursuance of the Act, the Company, as the case may be, shall reimburse members of the board for reasonable travel and out-of-pocket expenses incurred to attend meetings of the board, Shareholders and committees in accordance with the Company's directors' remuneration and expense reimbursement policy, if any.
- 20.6 The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 20.7 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such Person and in such manner as the Board shall from time to time by resolution determine.



- 20.8 Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 20.9 Subject to the provisions of section 149, and other provisions of these Article the Board shall have power at any time, and from time to time, to appoint a Person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles. Such Person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

## **21 PROCEEDINGS OF THE BOARD**

- 21.1 The Board shall meet at least once every quarter and at least 4 (four) times a year and the audit committee of the Company shall meet on a half-yearly basis. At least 7 (seven) Business Days' notice of each Board (or committee of the Board) meeting shall be given prior to such meeting or such shorter period as the directors on the Board (or committee of the Board). The agenda for each Board (or committee of the Board) meeting and all agenda papers connected therewith and / or proposed to be placed or tabled before the Board (or committee of the Board) shall be circulated together with the notice for such meeting. Meetings of the Board (or committee of the Board) may be held at any place which has been designated in the notice of the meeting or at such place as may be approved by the Board (or committee of the Board).

The quorum for a meeting of the Board (or committee of the Board) shall be the presence of such number of directors as required under the applicable Law,. If the quorum is not present, then the meeting shall be adjourned by 7 (seven) days, to be held at the same place and time as the original meeting and at such adjourned meeting, the directors present shall form quorum. It is clarified that no other matters, other than as set out in the agenda for the original meeting, shall be discussed at the adjourned meeting.

- 21.2 Members of the Board or any committee thereof shall be entitled to participate in a meeting of the Board or such committee by means of telephone conference, video conference or similar communications equipment, provided the same is permitted by applicable Laws, by means of which all Persons participating in the meeting can hear each other, and participation pursuant to this provision shall, if permitted by applicable Law, constitute presence in Person at such meeting and be counted for the purpose of constituting valid quorum.
- 21.3 Subject to applicable Law, no resolution shall be deemed to have been duly passed by the Board by circulation or written Consent, unless the resolution has been circulated in draft, together with the information and documents required to make a fully-informed good faith decision with respect to such resolution, if any, to all the directors on the Board, at their usual address registered with the Company (whether in India or abroad) and delivery by post, email, courier or through such other means as may be permissible under applicable Law.
- 21.4 Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- 21.5 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.
- 21.6 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. 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.
- 21.7 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 there was some defect in the appointment of any one or more of such directors or of any Person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such Person had been duly appointed and was qualified to be a director.

- 21.8 Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.
- 21.9 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 count for the purposes of forming a quorum at the time of such discussion or vote.

**22 MANAGING/WHOLE-TIME DIRECTORS AND KEY MANAGERIAL PERSONNEL CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

- 22.1 Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be the managing Director/ whole-time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for a fixed term or without any limitation as to the period for which he is to hold such office and from time to time and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon the managing Director / whole-time Director, for the time being, such of the powers exercisable hereunder by the Board, as it may think fit, and may confer such powers, for such time and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.
- 22.2 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 shall ipso facto and immediately cease to be the managing Director if he ceases to hold the office of Director for any cause.
- 22.3 Subject to the provisions of the Act, the managing Director/whole-time Director shall, in addition to the remuneration payable to him as a Director of the Company, receive such remuneration as may be sanctioned by the Board from time to time and such remuneration may be fixed by way of salary or bonus or commission or participation in profit, or perquisites and benefits or by some or all of these modes.
- 22.4 Subject to the provisions of the Act and Article 104:
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 22.5 A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same Person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **23 THE SEAL**

23.1 The affixation of common seal is not required

## **24 DIVIDENDS AND RESERVE**

24.1 The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

24.2 Subject to the provisions of Section 123 of the Act and Article 104, 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.

24.3 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 equalizing 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.

24.4 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.

24.5 No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

24.6 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.

24.7 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 of the Company.

24.8 Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque 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, or to such Person and to such address as the holder or joint holders may in writing direct.

24.9 Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent.

24.10 Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

24.11 Notice of any dividend that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.

24.12 No dividend shall bear interest against the Company.

24.13 Nothing herein shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus Shares or paying up any amount for the time being unpaid on any Shares held by the Members of the Company.

24.14 The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account of Premier Energies Limited" Any money transferred to the unpaid dividend account of the 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 along with interest accrued, if any, thereon to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board before claim on such dividend becomes barred by applicable Law.

## **25 ACCOUNTS**

25.1 Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

25.2 The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members not being directors. subject to provisions of the Act and these Articles. 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. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.

25.3 Subject to the provisions of Article 109, no Member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

## **26 WINDING UP**

26.1 Subject to the provisions of the Act:

- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

## **27 AUDIT**

- 27.1 The statutory auditors of the company shall be appointed, their remuneration shall be fixed, rights, duties and liabilities shall be regulated and their qualifications and disqualifications shall be in accordance with the provisions of Sections 139 to 148 (both inclusive) of the Act.
- 27.2 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.
- 27.3 The remuneration of the auditors shall be fixed by the Company in the annual General Meeting or in such a manner as the Company in the annual General Meeting may determine except that, subject to the applicable provisions of the Act, remuneration of the first or any auditor appointed by the Directors may be fixed by the Directors.
- 27.4 The Company shall also appoint the internal auditor to conduct internal audit of the functions and activities of the Company in accordance with the provisions of the Act.

## **28 POWER TO BORROW**

- 28.1 Subject to Article, hereof the Board may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys may be secured in such manner and upon such terms and conditions in all respects as the Board deems fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits, loans and advances at interest, with or without security, or by the issue of debentures of debenture-stock 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, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to Board may seem expedient.
- 28.2 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 capital of the Company, its free reserves and securities premium.
- 28.3 Subject to the Act and the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

## **29 INDEMNITY AND INSURANCE**

- 29.1 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 Tribunal.
- 29.2 The Company shall indemnify, defend and hold harmless all directors on the Board who was or is a party or is threatened to be made a party to any pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director of the Company, as the case may be, to the fullest extent permitted by applicable Law, from and against all expenses and costs including without limitation, reasonable legal fees (the *Expenses*), damages, judgments, fines, penalties and amounts paid in settlement, actually incurred by him or her in connection with such action, suit or proceeding.

## **31 GENERAL POWER**

- 31.1 Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any a particular action or transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to

have such rights, privileges or authorities and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## **PART B**

Part B of the Articles of Association provides for, amongst other things, the rights and obligations of certain Shareholders pursuant to the Shareholders' Agreement. For more details of the Shareholders' Agreement, see "*History and Certain Corporate Matters – Shareholders' agreement and other key agreements*" on page 248.

## SECTION IX – 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 and includes contracts entered into until the date of this Draft Red Herring Prospectus) which are, or may be deemed material will be attached to the copy of the Red Herring Prospectus and filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office, from 10.00 am to 5.00 pm on all Working Days and will also be available on the website of our Company at <https://premierenergies.com/investor-relations/ipo-documents> from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, except for such contracts and documents that will be entered into or executed subsequent to the completion of 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 other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### *Material Contracts to the Offer*

1. Offer Agreement dated April 19, 2024 entered into among our Company, the Selling Shareholders and the BRLMs.
2. Registrar Agreement dated April 18, 2024 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.
4. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Banker(s) to the Offer and the Registrar to the Offer.
5. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company and the Share Escrow Agent.
6. Syndicate Agreement dated [●] entered into among the Members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.
7. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.

#### *Material Documents*

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.
2. Certificates of incorporation dated April 3, 1995 and August 6, 2019, and a fresh certificate of incorporation dated September 25, 2019 upon conversion into a public company.
3. Resolution of our Board dated March 12, 2024 approving the Offer and other related matters.
4. Shareholders' resolution dated March 12, 2024 approving the Fresh Issue and other related matters.
5. Resolution of our Board dated April 18, 2024 approving this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
6. Resolution of our Board dated April 18, 2024 taking on record the consent and authorisation of the Selling Shareholders to participate in the Offer for Sale.
7. Resolution of our Board and our Shareholders dated February 17, 2024 and March 6, 2024 respectively, respectively, in relation to terms of remuneration of our Chairman and Whole-Time Director, Surender Pal Singh Saluja and Managing Director, Chiranjeev Singh Saluja.

8. Consent letters and authorisations from the Selling Shareholders consenting to participate in the Offer for Sale.
9. Shareholders' agreement dated September 10, 2021, entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja, Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy and Sudha Moola.
10. Appointment letter dated December 20, 2016 and salary revision letter dated March 6, 2024 issued by our Company to Surender Pal Saluja, our Chairman and Whole-Time Director, read along with resolutions in relation to remuneration passed by our Board and by our Shareholders dated February 17, 2024 and March 6, 2024 respectively.
11. Appointment letter dated December 20, 2016 and salary revision letter dated March 6, 2024 issued by our Company to Chiranjeev Singh Saluja, our Managing Director, read along with resolutions in relation to remuneration passed by our Board and by our Shareholders dated February 17, 2024 and March 6, 2024 respectively.
12. Appointment letter dated July 1, 2019 and salary revision letter dated March 6, 2024 issued by our Company to Revathi Rohini Buragadda, our Executive Director, read along with resolutions in relation to remuneration passed by our Board and by our Shareholders dated February 17, 2024 and March 6, 2024 respectively.
13. Employment agreement dated April 8, 2022 entered into between PEPPL and Chandramauli Kumar, our Head – Manufacturing and Technology.
14. The amendment agreement dated December 19, 2022 entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja, Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy, Sudha Moola and Rama Moola.
15. The second amendment agreement dated April 18, 2024 entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Surender Pal Singh Saluja, Chiranjeev Singh Saluja, Vivana Saluja, Manjeet Kaur Saluja, Charandeep Singh Saluja, Jasveen Kaur, Niha Technologies Private Limited, Niyathi Naidu Madasu, Vignesh Nallapa Reddy, Sudhir Moola, Surender Pal Saluja Trust and Chiranjeev Saluja Trust.
16. Share subscription agreement dated May 11, 2022 and a shareholders' agreement dated May 11, 2022 entered into amongst our Company, Azure Power India Private Limited and Azure Power Makemake Private Limited.
17. The project cost vetting report dated April 18, 2024 issued by RCT Solutions GmbH.
18. Copies of the annual reports of our Company for the Fiscals 2023, 2022 and 2021.
19. The examination report dated March 14, 2024 of the Statutory Auditor on our Restated Consolidated Financial Information.
20. The report dated April 19, 2024 on the statement of special tax benefits available to the Company, its shareholders and its material subsidiaries from the Statutory Auditor.
21. Consent dated April 19, 2024 from Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditor, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated March 14, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated April 19, 2024 on the statement of special tax benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.
22. Consent dated April 19, 2024 from Manian and Rao, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013



read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the various certifications issued by them in their capacity as an independent chartered accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

23. Consent dated April 19, 2024, from the independent chartered engineer, namely RBSA Advisors LLP, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated April 19, 2024.
24. Certificate dated April 19, 2024, from Manian and Rao, Chartered Accountants, certifying the KPIs of our Company.
25. Certificate dated April 18, 2024, from practicing company secretary in relation to the missing and untraceable RoC forms.
26. Consents of: (a) each of the Selling Shareholders, our Directors, our Promoters, Promoter Group, our Group Companies, our Company Secretary and Compliance Officer, our Statutory Auditor, previous auditor, the legal counsel to the Company, the bankers to our Company, lenders to our Company (wherever applicable), industry report provider, independent chartered accountant, independent chartered engineer, project cost vetting report provider, the BRLMs and Registrar to the Offer
27. Consent letter dated April 18, 2024 from Frost & Sullivan (India) Private Limited to rely on and reproduce part or whole of the F&S Report and include their name in this Draft Red Herring Prospectus.
28. Industry report titled “*Industry Report on Solar Cell and Module Market*” dated April 18, 2024 prepared and issued by Frost & Sullivan (India) Private Limited, commissioned and paid for by our Company and engagement letter dated February 4, 2024.
29. In-principle listing approvals dated [●] and [●] from the BSE and the NSE, respectively.
30. Tripartite Agreement dated April 3, 2024 among our Company, NSDL and the Registrar to the Offer.
31. Tripartite Agreement dated April 3, 2024 among our Company, CDSL and the Registrar to the Offer.
32. Due diligence certificate to SEBI from the BRLMs, dated April 19, 2024.
33. SEBI final observation letter number [●] dated [●].

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

---

**Surender Pal Singh Saluja**

**Designation:** Chairman and Whole-Time Director

**Date:** April 19, 2024

**Place:** Melbourne, Australia

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

**Chiranjeev Singh Saluja**

**Designation:** Managing Director

**Date:** April 19, 2024

**Place:** Hyderabad, Telangana

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

---

**Revathi Rohini Buragadda**

**Designation:** Executive Director

**Date:** April 19, 2024

**Place:** Toronto, Canada

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Abhishek Loonker**

**Designation:** Non-Executive Director

**Date:** April 19, 2024

**Place:** Mumbai, Maharashtra

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Sridhar Narayan**

**Designation:** Non-Executive Director

**Date:** April 19, 2024

**Place:** Mumbai, Maharashtra

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

**Uday Sudhir Pilani**

**Designation:** Independent Director

**Date:** April 19, 2024

**Place:** Hyderabad, Telangana

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Rohan Mehta**

**Designation:** Independent Director

**Date:** April 19, 2024

**Place:** Hyderabad, Telangana



## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Ragunathan Kannan**

**Designation:** Independent Director

**Date:** April 19, 2024

**Place:** Hyderabad, Telangana

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

---

**Jasbir Singh Gujral**

**Designation:** Independent Director

**Date:** April 19, 2024

**Place:** Tehri, Uttarakhand

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

---

**Priyanka Gulati**

**Designation:** Independent Director

**Date:** April 19, 2024

**Place:** New Delhi

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE GROUP CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Nand Kishore Khandelwal**

**Date:** April 19, 2024

**Place:** Hyderabad, Telangana

## **DECLARATION BY SELLING SHAREHOLDER**

We, **South Asia Growth Fund Holdings II LLC**, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to ourselves, as a Selling Shareholder and the Equity Shares being offered by us in the Offer for Sale, are true and correct. We assume no responsibility for any other statements, disclosures or undertakings, including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

**For and on behalf of South Asia Growth Fund Holdings II LLC**

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**Name:** Stuart Barkoff

**Designation:** Managing Partner

**Date:** April 19, 2024

**Place:** Arlington, Virginia, USA

## **DECLARATION BY SELLING SHAREHOLDER**

We, **South Asia EBT Trust**, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to ourselves, as a Selling Shareholder and the Equity Shares being offered by us in the Offer for Sale, are true and correct. We assume no responsibility for any other statements, disclosures or undertakings, including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

**For and on behalf of South Asia EBT Trust**

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**Name:** Poojan Baxi

**Designation:** Authorized Signatory

**Date:** April 19, 2024

**Place:** Mumbai, Maharashtra

#### **DECLARATION BY SELLING SHAREHOLDER**

I, **Chiranjeev Singh Saluja**, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as a Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, disclosures or undertakings, including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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**Chiranjeev Singh Saluja**

**Date:** April 19, 2024

**Place:** Hyderabad, India