

**Sterling and Wilson  
International Solar FZCO  
Dubai Airport Free Zone  
Dubai**

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**Financial Statements  
31 March 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF  
STERLING AND WILSON INTERNATIONAL SOLAR FZCO  
DUBAI AIRPORT FREE ZONE, DUBAI****Report on the Audit of the Financial Statements****Qualified Opinion**

We have audited the financial statements of Sterling and Wilson International Solar FZCO ("the Company"), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including the significant accounting policies, set out on pages 3 to 31.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Qualified Opinion**

The financial statements of the Company include a loan due from a related party of the amount of AED 266,311,932 which was repayable on demand. The Board of Directors of the Company has received a request from the ultimate Promoters of the related party to extend the repayment timeline, in lieu of obtaining security to cover the amount outstanding and also levy penal interest. Accordingly, the Board of Directors of the Company had taken a decision to extend the repayment timelines till September 2021 and levy additional penal interest. Further, on behalf of the Company, the Parent Company in India has obtained security against immovable property for the aforesaid amount due to the Company and subsequent to the reporting date, the Parent Company has obtained additional security by assignment of certain project receivables. Considering the steps taken/being taken by the Company, the management believes that no provision for expected credit losses is required as at 31 March 2021. In our view, however, a provision for expected credit losses on the amounts overdue should be estimated by the management. As a result of the uncertainty relating to timing of repayment of the outstanding balance, we are unable to quantify the impact of adjustments that may arise from non-measurement of expected credit losses on the financial results of the Company for the year ended 31 March 2021.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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