September 08, 2022

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 **Scrip Code: 542760**	**National Stock Exchange of India Limited** Exchange Plaza Bandra Kurla Complex Bandra (East), Mumbai – 400 051 **Symbol: SWSOLAR**

Sub.: Annual Report of Sterling and Wilson Renewable Energy Limited ("the Company") for the Financial Year 2021-22 along with the Notice of the 5th Annual General Meeting ("5th AGM")

Ref.: Intimation under Regulation 30 and 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir/ Madam,

Pursuant to Regulation 30 and Regulation 34 of the SEBI Listing Regulations, please find enclosed herewith the Annual Report of the Company for the Financial Year 2021-22 along with the Notice of the 5th AGM of the Members of the Company. The Notice of the 5th AGM is given on Page Nos. 22 to 36 of the Annual Report.

Further, in accordance with all the applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with all the circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI"), we wish to inform you that:

1) The 5th AGM of the Company will be held on **Friday, September 30, 2022** at **03:00 p.m. (IST)** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM");
2) The Notice of the 5th AGM along with the Annual Report is being sent today, only by electronic mode to those Shareholders whose email address is registered with the Depository Participant(s)/ the Company/ the Company's Registrar and Share Transfer Agent; and
3) Pursuant to Regulation 44 of SEBI Listing Regulations and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company has provided e-voting facility to enable the Members to cast their votes electronically.

The Notice of the 5th AGM of the Company *inter alia* indicates the process and manner of remote e-voting/ e-voting at the 5th AGM and instructions for participation at the 5th AGM through VC/ OAVM.

The said Annual Report along with the Notice of 5th AGM is also available on the website of the Company at www.sterlingandwilsonre.com

STERLING & WILSON

The agenda items proposed to be taken up at the 5th AGM are as follows:

Sr. No.	Agenda item	Resolution to be passed
1	a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, and the reports of the Board and the Auditors thereon. b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, and the report of the Auditors thereon.	Ordinary Resolution
2	To approve the appointment of Mr. Khurshed Yazdi Daruvala (DIN: 00216905), Non-Executive Director of the Company, who retires by rotation as a director.	Ordinary Resolution
3	To approve the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.: 117366W/ W-100018) as Statutory Auditors of the Company.	Ordinary Resolution
4	To approve the appointment of Branch Auditors.	Ordinary Resolution
5	To approve the waiver of recovery of excess remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the financial year 2021-22.	Special Resolution
6	Approval to grant interest bearing loan to Shapoorji Pallonji and Company Private Limited.	Special Resolution

Request you to take the same on records.

Thanking you.

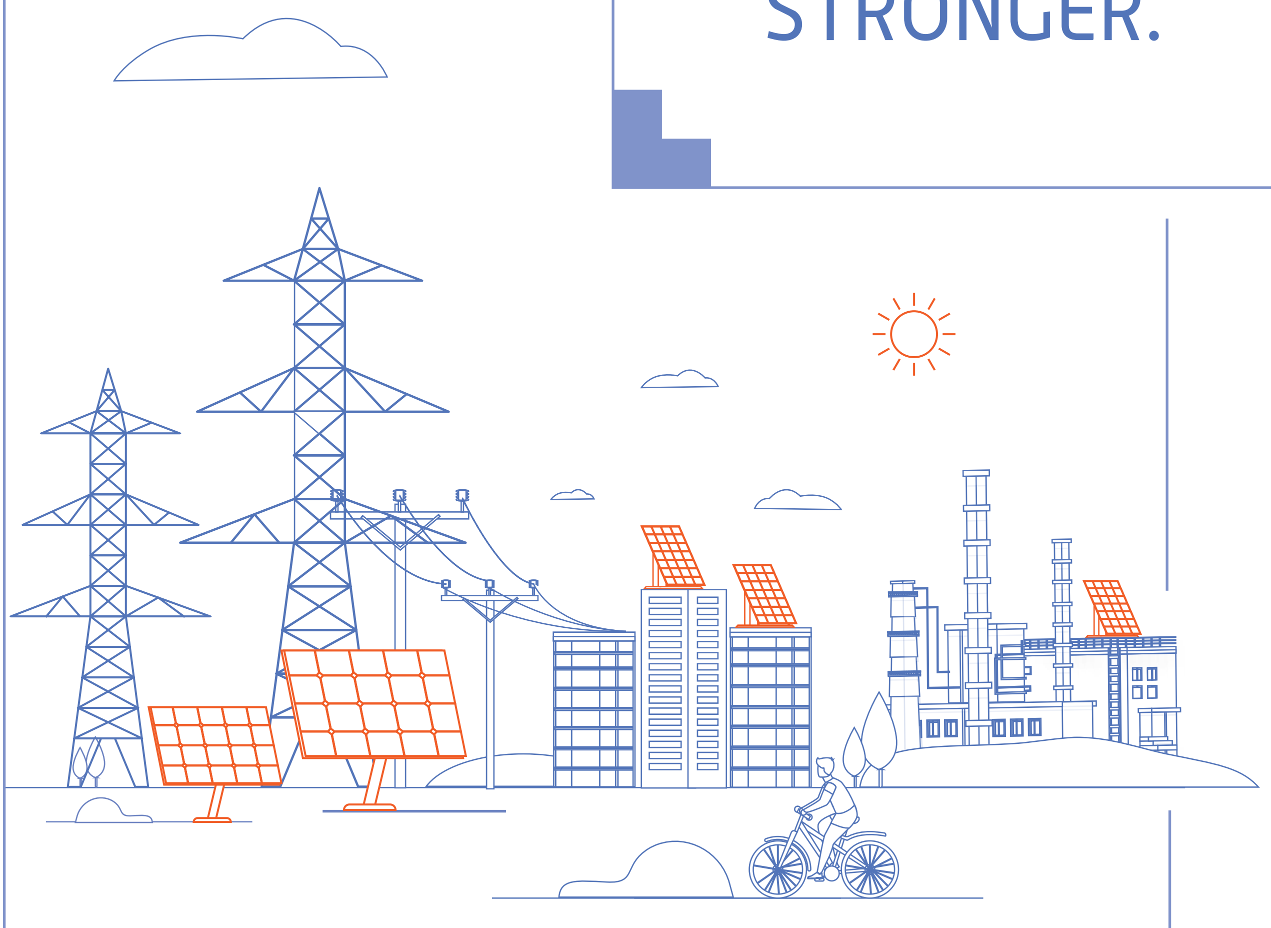
Yours faithfully,
For **Sterling and Wilson Renewable Energy Limited**

VENKATA JAGANNADHA RAO CHUNDURU
Digitally signed by VENKATA JAGANNADHA RAO CHUNDURU
Date: 2022.09.08 22:56:16 +05'30'

Jagannadha Rao Ch. V.
Company Secretary and Compliance Officer
Encl.: As above

Sterling and Wilson Renewable Energy Limited

MERGING STRENGTHS.
EMERGING STRONGER.

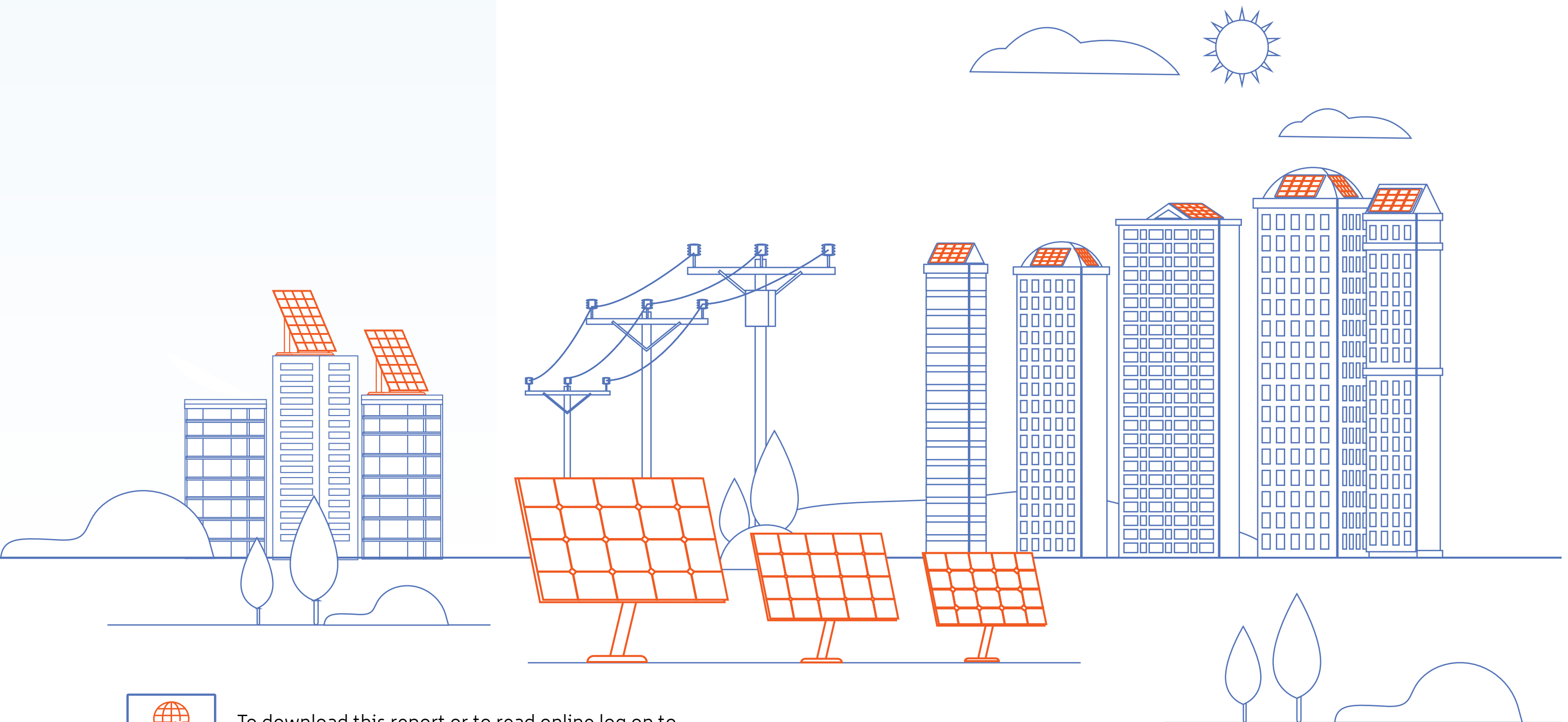


Annual Report 2021-22

"The Company will benefit immensely from the Reliance Group's new integrated vision, which will further strengthen our position as a leading solar EPC and O&M player in India and across the world."

Read more on page 06

WHAT'S INSIDE



To download this report or to read online log on to
www.sterlingandwilsonre.com

MERGING STRENGTHS. EMERGING STRONGER.

Our key highlight of the year was the acquisition of stake by Reliance Industries, as it plans to set up a global scale integrated photovoltaic giga factory and make India a manufacturing hub for low-cost and high-efficiency solar panels.

As we merge our strengths with the behemoth and strengthen our position as a leading EPC player globally, we are emerging stronger. We continue to pivot our presence to rapidly growing areas which are set to underpin global growth. We remain geared to capitalise on mega opportunities in the emerging fields of hybrid & energy storage solutions and green hydrogen.

As capacity additions are set to kick-start in FY2023 and the supply chain landscape transforms, we are confident these emerging areas will unleash growth and change the Company's dynamics. We remain poised that our focussed strategy, continued investment in growth initiatives, deep domain knowledge, strong focus on innovation and world-class technologies and global presence positions us for a long-term and steady future. Our project management skills and stakeholder relationships will help us capture substantial energy market share.

We strive to live up to our purpose in everything we do. Today, we are delivering more for our customers, which is also reflected in the theme of our report – Merging Strengths. Emerging Stronger – with steadfast resolve and renewed strength. As we work hard and remain committed to become an even more sustainable business, our values and principles keep us motivated to surge ahead with renewed determination.

Living an exciting journey with

More than 5 decades of Engineering Experience

Presence across 25 Countries

11.3 GWp Total Portfolio
(commissioned as well as under various stages of construction)

256 Solar Turnkey Projects

A strong team of 1,300+ Employees
(permanent and on fixed term contracts)

Moving forward, we will continue to apply our foresight and capabilities to innovate, scale and accelerate the transformation of India's energy systems, continuing to be a catalyst for a world that runs extensively on green energy. Together, we aim to achieve a brighter and better future for the Company and the world at large.

Creating Fresh Inspiration Everyday

RESHAPING A SUSTAINABLE AND RESILIENT FUTURE

Tracing our roots back, we are merging our strengths today to emerge stronger. We have come together to build further on our portfolio, common purpose and a deep commitment to enabling clean and green energy. Together, we are sharing the best practices, learning from one another and realising the benefits of our scale.

Building a Better Future for Ourselves

During the year, Reliance Industries Limited (RIL) acquired 40% stake in Sterling and Wilson Renewable Energy Limited (SWREL) through its subsidiary Reliance New Energy Limited (RNEL), in line with its strategy of enabling 100 GW clean and green energy by 2030. We expect to benefit from its new integrated vision and further strengthen our position as a leading EPC and O&M player globally.

A Year of Synergies and Strength

Equipped with several decades of engineering experience, we are among the world's largest end-to-end EPC solutions provider, with an established presence in over 25 countries across the globe.

EPC Portfolio of Over 11.3 GW globally

(Commissioned and under various stages of construction)

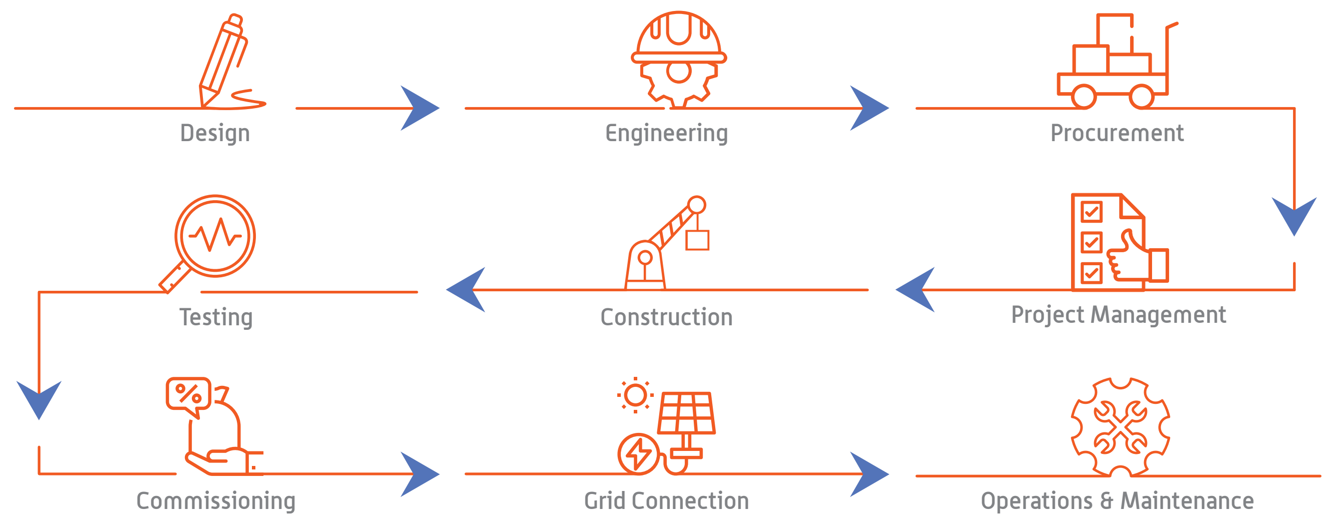
Operations & Maintenance Portfolio of of 6.6 GW Globally

(Including projects constructed by Third Parties)

We have committed ourselves to our journey to contribute to the world's sustainable energy future. As we continue to put in sustained efforts through our culture of agility, collaboration and accountability, we see the coming years as an opportunity to strengthen the enterprise, to continue to create value for our shareholders, employees and the society we serve.

Helping Customers Make Better Choices Through Our End-to-End Solutions

Through our end-to-end turnkey offerings, we manage all aspects of project execution from Concept to Commissioning.

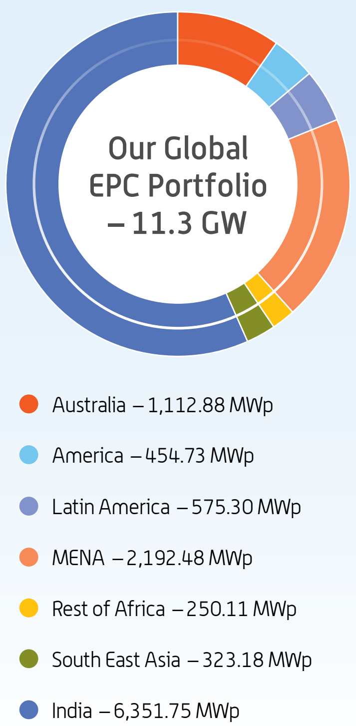


Our Turnkey EPC Services

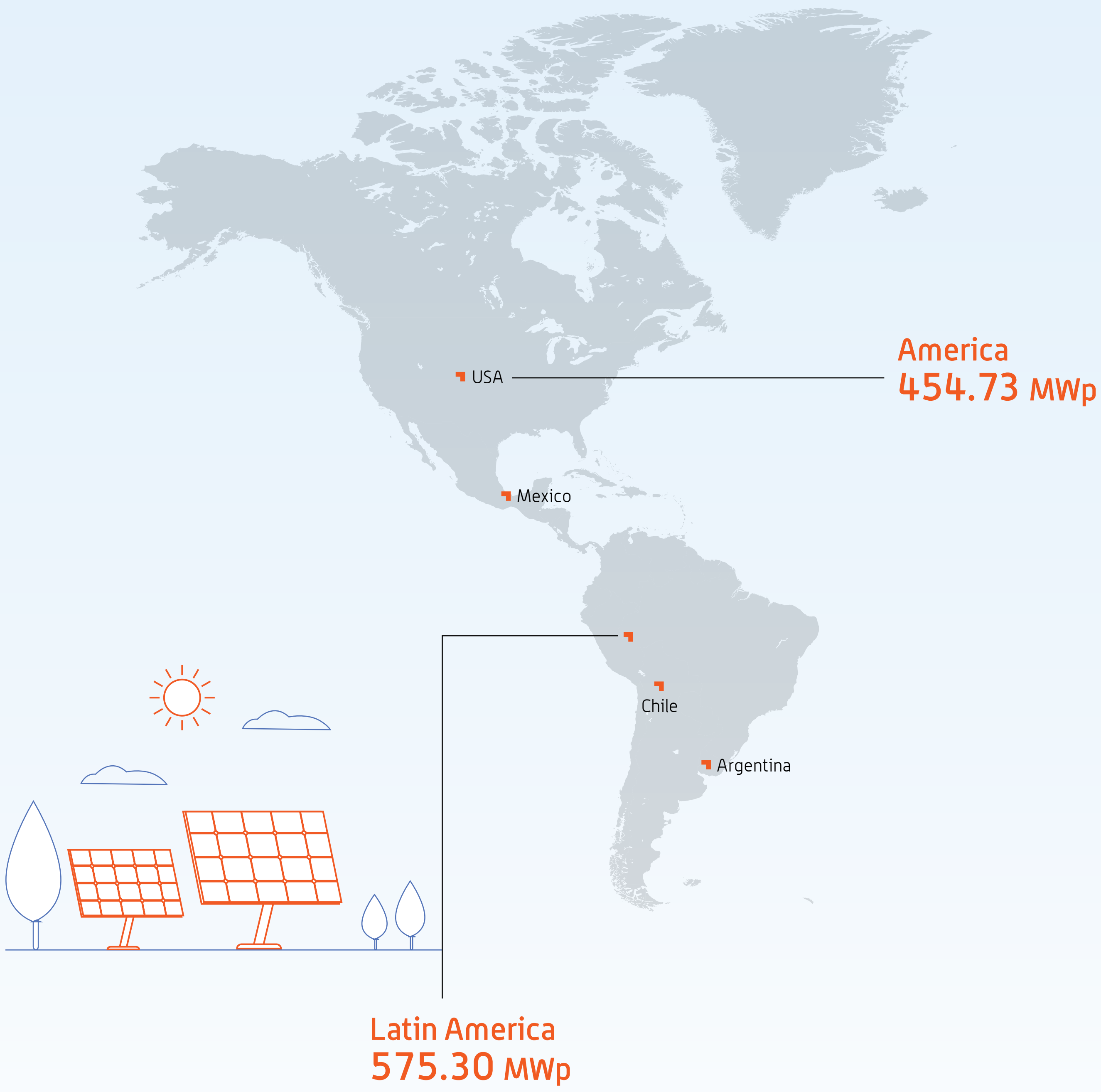
We provide turnkey EPC services for utility-scale, rooftop and floating solar power projects. We also provide operations & maintenance (O&M) services, including for projects constructed by third parties. In addition, we provide a consultative approach to our customers' solar energy needs, and offer customised solar plus storage solutions to meet the requirements of our customers.

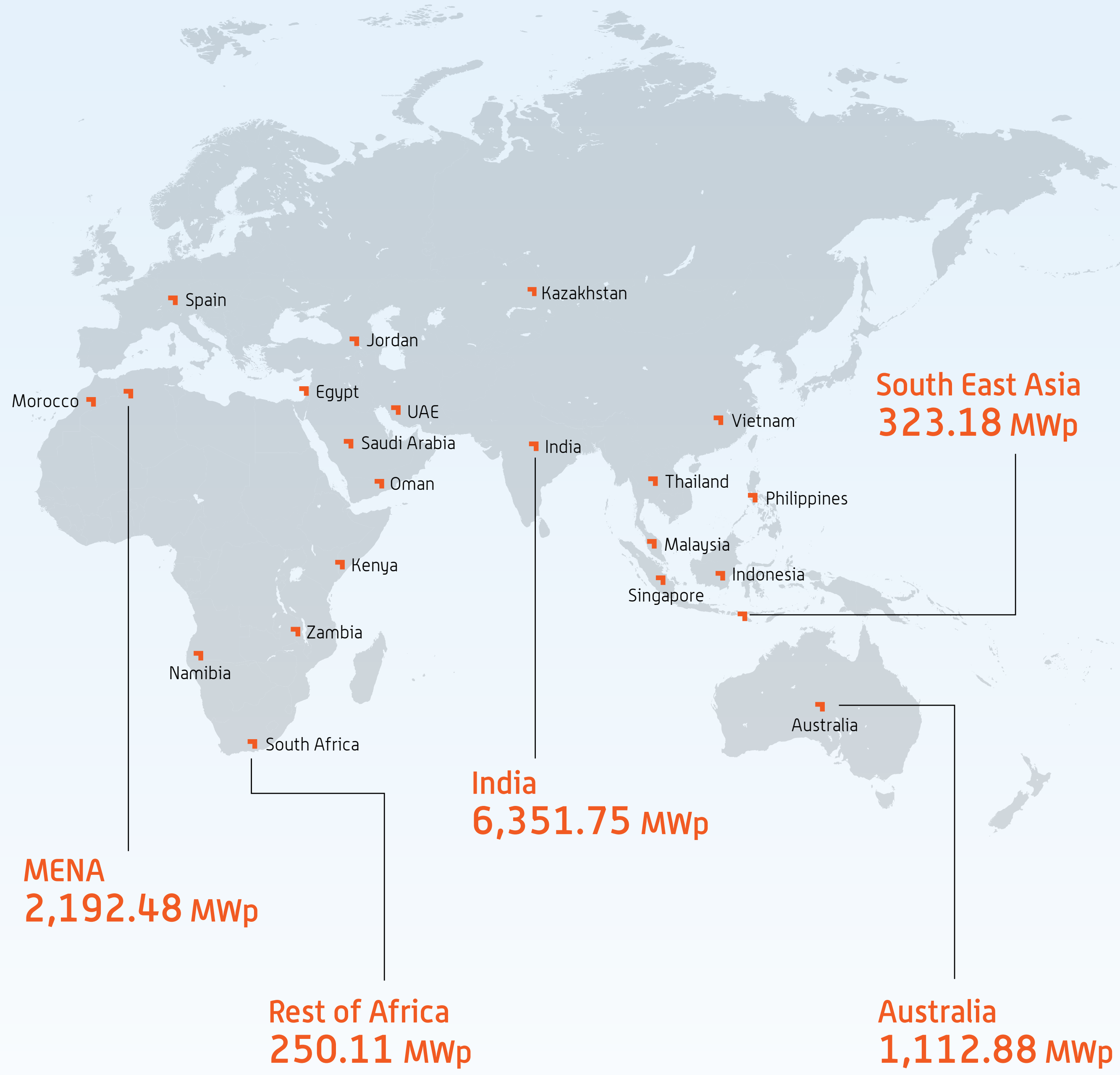
Delivering even more for our customers with Customised EPC and O&M Solutions

- Utility Scale
- Floating Solar
- Hybrid & Energy Storage
- Operations and Maintenance



OUR GLOBAL PRESENCE





Chairman's Message to Shareholders

SPARKING A POSITIVE CHANGE

WITH A DEEP HERITAGE OF SUSTAINABILITY AND INNOVATION, WE REMAIN COMMITTED TO BRINGING CLEANER ENERGY TO THE WORLD. TODAY, THOUSANDS ARE POWERING THEIR HOMES AND BUSINESSES THROUGH STERLING AND WILSON RENEWABLE ENERGY LIMITED'S (SWREL) SERVICES.

Dear Shareholders,

Bettering our environment and the world in which we operate has been a part of our core values since our founding days, and this has been built into our DNA. With a deep heritage of sustainability and innovation, we remain committed to bringing cleaner energy to the world. Today, thousands are powering their homes and businesses through Sterling and Wilson Renewable Energy Limited's (SWREL) services.

We are extremely optimistic about the future of renewable energy, which is becoming mainstream across the world, as the production processes have become more efficient and per unit prices of renewable energy have steadily dropped – there are fluctuations in manufacturing costs, certainly, but over time, these costs have only gone down. This runs in parallel with government policies supporting the world's transition to a lower-carbon economy.

In a very positive trend for our industry, more than 80% of all new energy capacity added worldwide in 2020 came from renewable, with solar and wind accounting for 91% of new renewables. According to data from the International Renewable Energy Agency (IRENA), the world added more than 260 GW of renewable energy capacity in 2020, exceeding expansion in 2019 by close to 50%. By 2030, India's power demand is expected to be 817 GW, with more than half of it coming from clean energy, and 280 GW coming from solar energy alone.

Today, being one of the largest solar EPC players across the globe, we are proud to be a part of this great energy transition. With an EPC portfolio of over 250+ projects totalling 11.3 GWp of capacity and an O&M portfolio of 6.6 GWp, we shall continue to play our part in modernising yesterday's energy systems to meet tomorrow's needs.

Our primary territories have so far been India, Australia, and the Americas; we have projects in Africa and the Middle East, too. Now we are also focusing on Europe, where the solar power market has grown significantly owing to steep cost reduction, easy maintenance, versatile applications, and strong policy and regulatory support. New solar power capacity of 18.2 GW was installed in 2020 in Europe (11% higher than 2019), making it the best year ever for solar in the region. In 2021, a total of 25.9 GW of new solar PV capacity was connected to the grids. Moving ahead, new annual additions are expected to reach 27.4 GW in 2022, 30.8 GW in 2023 and 35.1 GW by 2024.

India had aimed to install 175GW of renewable energy capacity, including 100GW of solar power, by 2022. The pandemic has shifted the goalpost of project completions, but the work continues. Given these developments, we are excited to help make renewable energy accessible to all.

FY2022 in Brief

The year marked a turning point in our history, following the acquisition of a stake in SWREL by Reliance New Energy Limited, a subsidiary of Reliance Industries (RIL), through a combination of primary investment, secondary purchase, and open offer. The last tranche of this transaction was made in February 2022 that culminated in RIL owning a 40% stake in SWREL. This is in line with RIL's strategy of investing in operating capabilities as it gets ready to set up a global-scale integrated photovoltaic giga factory and make India a manufacturing hub for low-cost and high-efficiency solar panels.

The Company will benefit immensely from the Reliance Group's new integrated vision, which will further strengthen our position as a leading solar EPC and O&M player in India and across the world. With our engineering talent, deep domain knowledge, global presence and experience in executing complex projects globally, we will be a strategic partner in RIL's solar value chain, helping them achieve their target of creating a clean energy portfolio.

Through this acquisition, SWREL will have access to RIL's best practices as the two teams work in unison on renewable energy projects at the national and international levels; and RIL's long years of expertise in business development will help SWREL consolidate its position in existing territories and make its mark in new geographies. RIL, which has committed to Net Zero carbon by 2035, will gain access to a wide range of SWREL competencies in design, procurement, and project management to build solar photovoltaic panels, solar cells and modules, energy storage batteries, fuel cells and green hydrogen.

Key Challenges of the Year

During the year under review, a near-term headwind and a notable development in the global solar market was the sustained

WE HAVE BEGUN LEVERAGING EMERGING OPPORTUNITIES BY EXPANDING OUR RENEWABLE ENERGY OFFERINGS, NOW ALSO PROVIDING EPC SOLUTIONS FOR HYBRID ENERGY POWER PLANTS AND ENERGY STORAGE. WITH THE WORLD'S INCREASED FOCUS ON LOW-CARBON ENERGY CONSUMPTION AND THE RESULTANT GROWING DEMAND, THIS IS BUT A LOGICAL EXTENSION OF OUR BUSINESS IN THE RAPIDLY GROWING ESG SPACE.

increase in metal and PV module prices and rising inflation. Policy challenges included re-negotiation of power purchase agreements, curtailment of solar power, delayed payment from DISCOMs in some states, and land possession difficulties, among others.

Since the start of 2021, prices shot up 50%. In a solar project, solar modules account for roughly 50-55% of total project cost. The substantial rise in commodity prices across the board (steel, copper, and silicon) and other supply chain constraints, coupled with the continued after-effects of the COVID-19 lockdown significantly drove up project costs. These dynamics also dampened PV installations and affected the viability of solar projects, delaying them well past deadlines and, therefore, impacting the value of projects awarded.

A majority of the order finalisation of FY2022 has been pushed to the second half of FY2023. In India alone, over 2 GW worth of projects were deferred owing to delays in execution of power purchase agreements and land procurement. The additional allocation of funds to augment solar PV module manufacturing under the Production Linked Incentive (PLI) scheme will improve solar panel availability in India, stabilise project costs and facilitate domestic manufacturing of high efficiency PV modules. This is a big step towards India's goal of setting up 30-35 GW of solar module capacity by 2024, reducing the country's dependence on import of solar cells and modules.

Operational and Financial Performance

The year continued to be impacted on account of COVID-19 and the 2nd wave started in April'21 and lasted till July'21, during which the Company focused on cost optimisation and bidding orders as we tried to tide through the turbulent times. Total Revenue from Operations was ₹ 5,198.9 crore in FY2022, compared to ₹ 5,080.8 crore in FY2021, up 2.3%. Revenue from the EPC business increased to ₹ 4,974.5 crore in FY2022, from ₹ 4,825.8 crore in FY2021, while Revenue from O&M business was ₹ 222.9 crore in FY2022, compared to ₹ 252.1 crore earlier. As on March 31, 2022, the Company became net debt free with net bank balances of ₹ 73 crore.

The EPC business contributed 95.7% to the overall revenue, while the remaining 4.3% was contributed by the O&M business. Customer concentration in terms of revenue contribution increased to 59.82% in FY2022, from 27.85% in FY2021. Region-wise, revenue share of Australia was 56%, United States was 21%, India 11%, Latin America 9% and the balance 3% was contributed by Africa and MENA region.

Well Placed to Grab Future Opportunities

India is targeting to achieve 500 GW of non-fossil fuel generation capacity in this decade and is poised to become the fourth largest renewable energy market by 2030. The outlook for renewables addition remains strong with a large project pipeline of over 55 GW and the highly competitive tariffs offered by these projects.

The nation is on the cusp of a solar energy revolution as cumulative solar installations have reached the 50 GW milestone. In fact, it added 10 GW of new solar capacity in CY2021, the highest 12-month capacity addition, despite the challenges surrounding COVID-19, disruptions in global solar supply chains, and the rise in commodity prices. As the country moves towards its 2030 goal, solar will continue to dominate new capacity additions. The long-term outlook for the industry remains robust with the global thrust on clean, green energy.

Being the Utility of the Future

We have begun leveraging emerging opportunities by expanding our renewable energy offerings, now also providing EPC solutions for hybrid energy power plants and energy storage. With the world's increased focus on low-carbon energy consumption and the resultant growing demand, this is but a logical extension of our business in the rapidly growing ESG space.

As one of the leading international EPC turnkey solution providers, we can unlock the potential of green energy in various parts of the world, customising solutions according to geography-specific needs. The global solar market is a space of boundless opportunities, and the flexibility of PV panel installation is set to make solar energy the utility of the future. Universal access to clean and affordable energy is one of the UN Sustainable Development Goals – this goal applies as much to the wealthy economies as to the emerging ones. Consequently, our long-term outlook is very positive.

Widening Our Market Reach

As the addressable global market for solar EPC continues to grow at 14-15% per annum, we will continue to leverage region-wise opportunities – we will work on expanding our presence and further diversifying our order book. We foresee good traction in our key markets, even as we identify new countries that are margin-accretive and are putting in place conducive solar power policies.

Our reputation and visibility make us one of the strongest contenders in any national project bidding process, as we have the track record to match top international players in the renewable energy industry. The current focus of the Government of India on developing homegrown capabilities in all the key sectors works highly in our favour as well.

Simultaneously, we continue to expand our O&M vertical, with implementation of advanced technologies platforms to increase market share. As part of this, we are strengthening our focus on third-party O&M in international markets.

All Set for a Brighter Future

The stake purchase by RIL is set to significantly increase the reach and capabilities of SWREL. We expect the tailwind to come from the solar power supply chain gradually moving to India; the Green Hydrogen policy; and new opportunities in solar battery storage. Within the organisation, we are augmenting our digital resources and cultivating a culture of innovation, with the vision of making solar energy accessible to all.

With significant capacity additions expected in FY2023, we are positioned to grow at a rapid pace. Of particular interest to us are sizeable projects that are not only commercially viable by themselves but are also strategic to our expansion plans in different markets.

Thanking Our Stakeholders

Despite the challenges we have all faced, the end-market remains strong and is growing every year. We are motivated by the opportunity to make solar power easy and affordable for all. Burgeoning solar demand, coupled with government efforts to decarbonise globally, is a sign that the world is ready to make this most abundantly available energy resource a part of daily life.

We will keep innovating to stay ahead of new challenges and opportunities.

My thanks again go out to all our team members who have risen to the challenges posed by the pandemic and to our Board of Directors for their continued guidance. Additionally, I express deep appreciation to all our business partners, vendors, and other business associates who have firmly stood by the Company despite the recent adversity.

We deeply value our shareholders' trust and support and will continue to do so as we look forward to emerging from these challenges stronger than ever.

Warm Regards,

Khurshed Daruvala
Chairman

OUR DIVERSE AND EXPERIENCED BOARD

Mr. Khurshed Daruvala

Chairman, Non-Executive, Non-Independent Director

Khurshed Daruvala holds a bachelor's degree in commerce from the University of Mumbai and is an associate member of the Institute of Chartered Accountants of India (ICAI). He has been part of the Sterling and Wilson Group for almost 26 years and was the erstwhile Managing Director of Sterling and Wilson Private Limited.

He has been on the Board of Sterling and Wilson Renewable Energy Limited since April 25, 2018.

Mr. Pallon Mistry

Non-Executive, Non-Independent Director

Pallon Mistry holds a master's degree in strategic management from Imperial College, London. He is on the board of several companies including Shapoorji Pallonji and Company Private Limited, Afcons Infrastructure Limited, Shapoorji Pallonji Infrastructure Capital Company Private Limited, Shapoorji Pallonji Oil and Gas Private Limited and Sterling and Wilson Private Limited.

He has been on the Board of Sterling and Wilson Renewable Energy Limited since August 02, 2018.

Mr. Balanadu Narayan

Non-Executive, Non-Independent Director

B Narayan has done master's in chemical engineering from IIT – Madras. He has a rich and varied work experience of nearly 5 decades out of which over 4 decades are with Reliance Group. He is well recognised as an industry stalwart in his domain.

His experience spans project management and procurement of process technologies, engineering services and capital equipment. He was closely involved with the implementation of polyester, petro chemicals, elastomers and refinery projects of Reliance Industries Limited at Patalganga, Silvasa, Hazira and Jamnagar.

In his current role as the Chief Procurement Officer, he is leading a team of procurement professionals in cost optimisation, new initiatives in manufacturing and implementation of digital solutions for procurement and contracting functions.

He has been on the Board of Sterling and Wilson Renewable Energy Limited since April 07, 2022.

Mr. Saurabh Agarwal

Non-Executive, Non-Independent Director

Saurabh Agarwal has done his Bachelor's in mechanical engineering from IIT – Roorkee. He has a rich and varied work experience of 26 years with Reliance Group. His experience spans in various senior positions in fibres, petrochemicals, refining & marketing and exploration & production businesses of Reliance.

He has been on the Board of Sterling and Wilson Renewable Energy Limited since April 07, 2022.

Mr. Keki Elavia

Non-Executive Independent Director

Keki Elavia holds a bachelor's degree in commerce from the University of Mumbai and is a practising Chartered Accountant. He is a fellow member of the ICAI. He has, in the past, served as a partner of Kalyaniwalla & Mistry, Chartered Accountants and S.R. Batliboi & Co, Chartered Accountants. He has over 42 years of experience in Audit and Finance related matters.

He has been on the Board of Sterling and Wilson Renewable Energy Limited since March 27, 2019.

Ms. Rukhshana Mistry

Non-Executive, Independent Director

Rukhshana Mistry is a practising Chartered Accountant with over 30 years of experience. She has been on the Board of Sterling and Wilson Renewable Energy Limited since March 27, 2019.

Mr. Cherag Balsara

Non-Executive Independent Director

Cherag Balsara has completed his Bachelor of Commerce from the Sydenham College of Commerce and Economics in the year 1989. Thereafter, he completed Bachelor of Laws degree in the year 1992 and enrolled at the Bar in the year 1992. He has also done his master's in law in the year 1994.

He has practiced as a Counsel specializing in civil litigation mainly in the Bombay High Court and also in the Supreme Court as well as the National Company Law Tribunal., During his career spanning 30 years, he has litigated in a large number of Commercial Disputes, Corporate Disputes and handled several Commercial Arbitration matters and has also handled numerous redevelopment projects in the city of Mumbai.

He has been on the Board of Sterling and Wilson Renewable Energy Limited since March 29, 2022.

Ms. Naina Krishna Murthy

Non-Executive Independent Director

Naina Krishna Murthy completed Bachelor of Laws degree in the year 1996 from National Law School, Bengaluru and enrolled at the Bar in the year 1999. She has been practicing law for 26 years and specializes in corporate commercial law, specifically mergers and acquisitions, joint ventures, collaborations and PE/VC investments. Ms. Naina is also a trusted legal advisor to some of the foremost corporates in India.

She is on the Board of several leading organizations, including the Universal Business School. She has cochaired the Infosys Grievance Redressal Board for five years. In addition to that, she has been on committees of various companies involving sexual harassment complaints. Some of these companies are Novartis India Ltd; Mphasis Ltd; McAfee Software India Pvt Ltd; GE India Technology and British Telecom, among others.

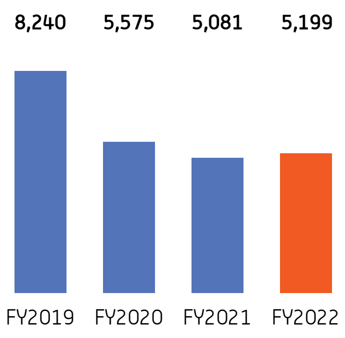
Ms. Naina has represented eminent Indian and overseas clients on their operations in India and abroad, such as L&T, Ryerson Steel, Reliance Industries, and Dell Engineering Services, and she has been appointed as the external Ombudsman of SB Energy, a Softbank company. She has authored many articles and white papers on topics including Trade and Renewable Energy.

She has been on the Board of Sterling and Wilson Renewable Energy Limited since April 07, 2022.

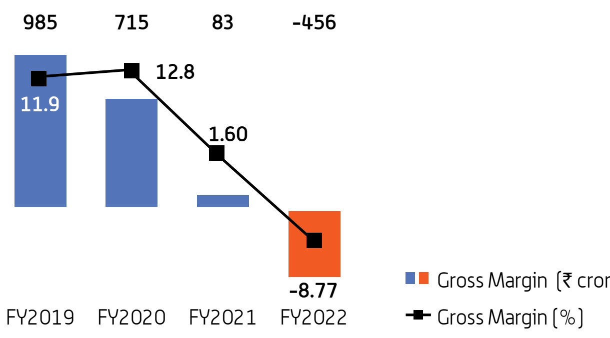
KEY PERFORMANCE INDICATORS

Key Financial Numbers

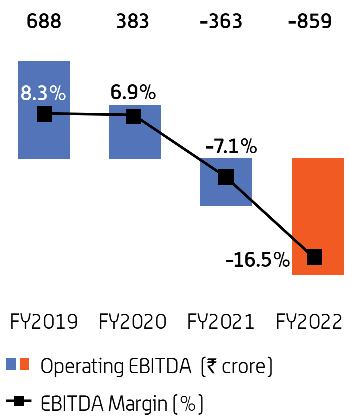
Revenue from Operations
(₹ crore)



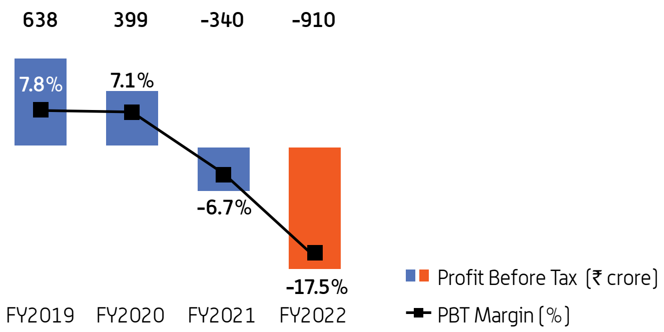
Gross Margin



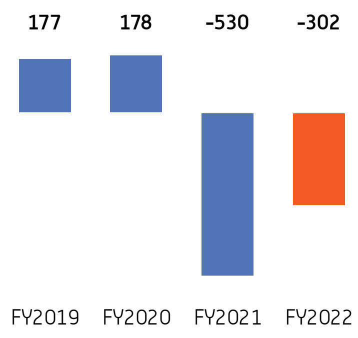
Operating EBITDA and EBITDA Margin



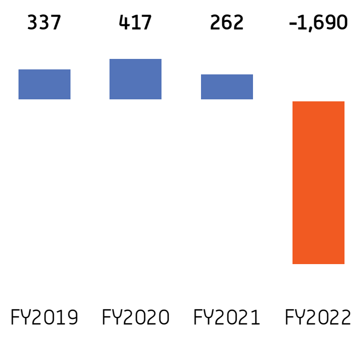
Profit Before Tax and PBT Margin



Core Working Capital
(₹ crore)



Net Cash Flow Generated from Operating Activities
(₹ crore)



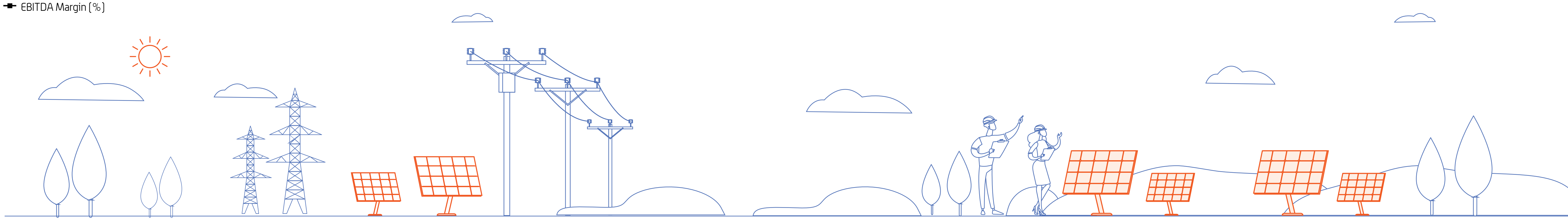
Operational Highlights for FY2022

₹ 719 crore
Order Inflow

₹ 3,253 crore
Gross Unexecuted Order Value

₹ (302) crore
Net Working Capital

1.15 GW
Operationalised projects



Establishing Meaningful, Lasting Commitments

BY LEVERAGING THE EMERGING OPPORTUNITIES

Hybrid & Energy Storage

Energy Storage Systems are fast emerging as an essential part of the evolving clean energy systems of the 21st century. With a growing demand for green energy solutions, hybrid & energy storage systems are a logical extension to our business in the rapidly-growing ESG space, and will facilitate us in becoming a diversified renewables EPC company.

There is tremendous push towards Green Energy across the globe. With the increase in clean energy capacity in the grid and its subsequent decarbonisation, ramping up energy storage has become critical and an extreme necessity, moving forward. On a global scale, a 20x growth (1,028 GWh) is estimated in energy storage by 2030, and till 2040, a 60x growth (2,850 GWh) has been projected, compared to 34 GWh of energy storage currently available.

According to the Vision 2030 Report of India Energy Storage Alliance (IESA), at least 160 GWh of energy storage will be needed by India by 2030 to integrate a targeted 500 GW of non-fossil fuel energy, based on its analysis of India's energy sector and outlining the requirement of energy storage in the country. The vital energy storage is expected to play a key role in ensuring safe and reliable grid operation. Hence, it is imperative for India to assess its storage capacity requirement in the coming years and formulate a plan for its implementation, keeping in view the energy transition in the Indian grid.

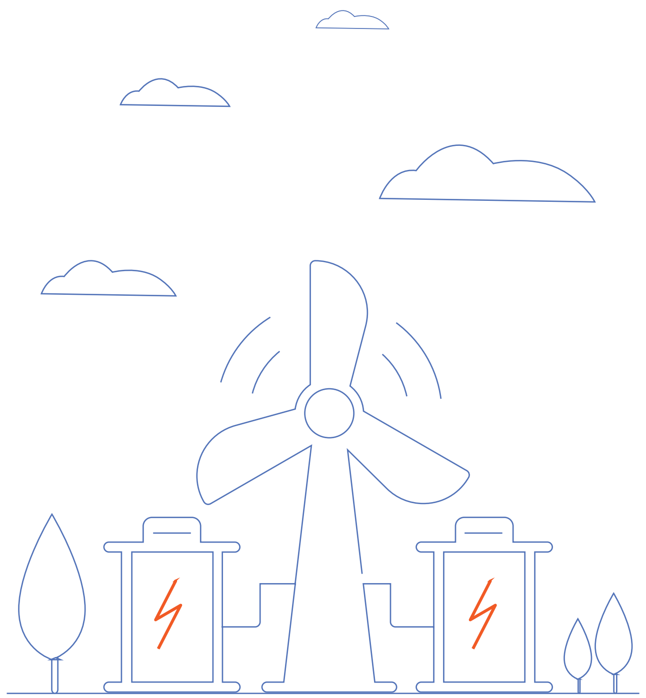
The gradual phasing out of coal-based power plants has left the grid in a precarious position without firm power to balance it. This presents a significant opportunity for EPC companies like ours to provide consolidated turnkey solutions to developers and countries as an integrated solutions provider catering to all their needs.

Renewable energy hybrids are set to play a prime role in helping India and other developing and under-developed nations to accelerate their journey of decarbonisation and bring down electricity cost in the medium term. Renewable hybrid and energy systems will be a game changer in the industry as they generate round-the-clock clean energy in response to varying levels of demand during the day. These hybrid systems offer a combination of solar and wind energy, with an additional resource of power generation or storage in the form of batteries or pumped hydro storage. These cost-effective energy solutions are primarily driven by the reducing cost of battery storage and solar energy.

As is being witnessed across the globe, particularly in Europe, United States, Australia and Latin America, there is tremendous opportunity for Energy Storage Systems to grow in the standalone format and as a hybrid model (Renewable Energy + Storage). Owing to its fast response time, Battery Energy Storage Systems (BESS) is a suitable technology for providing primary, secondary and tertiary frequency regulation services to the grid. As experienced across the globe, BESS has the capability to provide enough flexibility at low-voltage electricity networks.

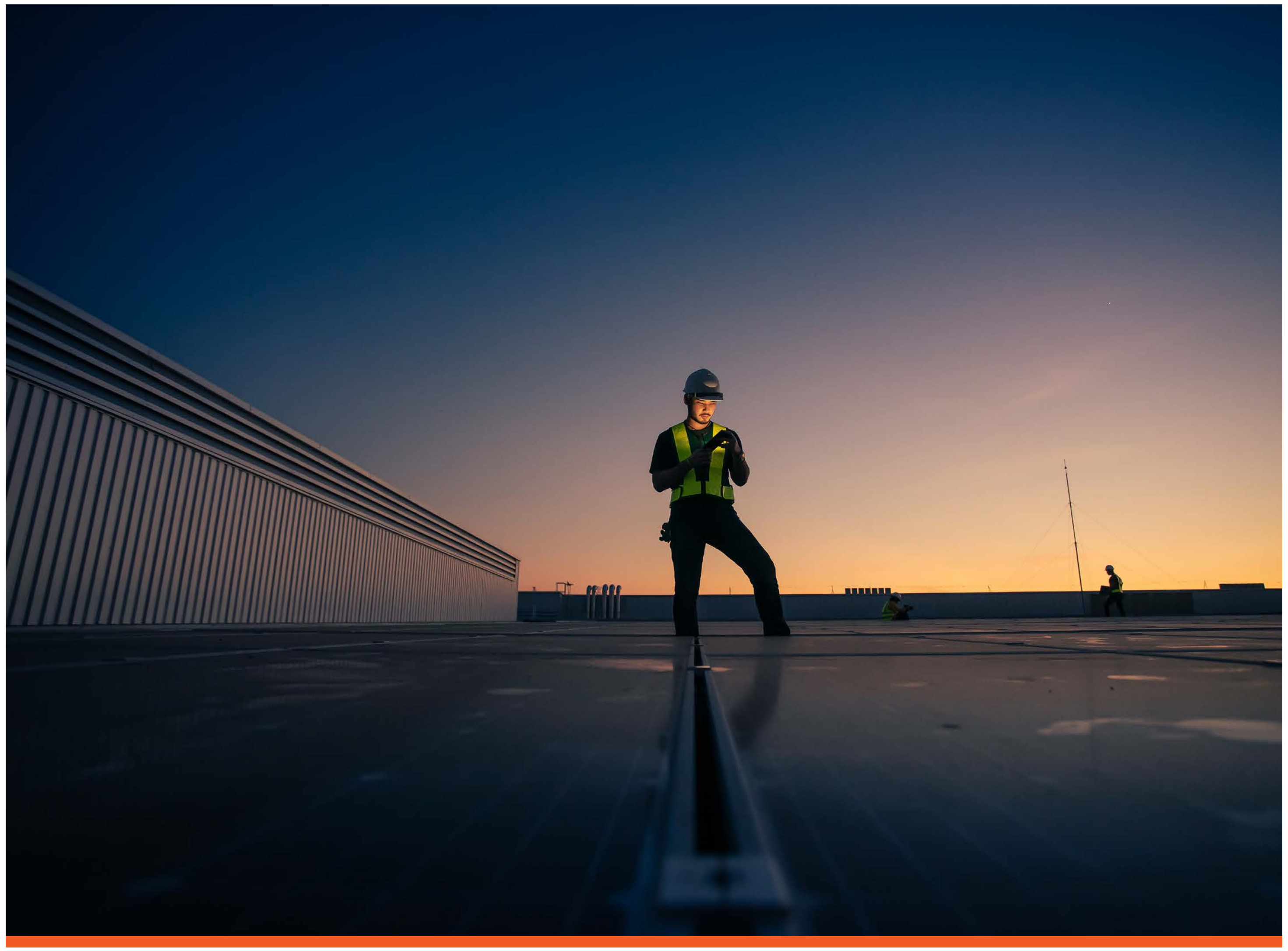
With India poised to fully capture the rising potential of energy disruption, we, at SWREL, are capitalising on this as a viable solution to promote grid-connected hybrid energy. With this, we aim to meet future baseload power requirements at zero carbon emissions and make it cost-inflation proof. With our cutting-edge research, innovation, and integrated solutions, it presents us with an immense opportunity to cater to this new-age requirement across the globe.

An experienced, dedicated and capable BESS team with the required technical knowhow makes SWREL well-positioned to leverage the emerging opportunity. We have already executed a few hybrid projects with different storage solutions under extreme and challenging environments. Given our global presence and EPC capabilities across geographies, this stands us in good stead to provide turnkey energy offerings and a one-stop solution to cater to customers' growing requirements.



STRENGTHENING THE O&M VERTICAL

We maintain our customers' solar power projects diligently, caring for their life, maximising profitability, streamlining performance and availability, and minimising consumption and operating costs. We provide maintenance services to our customers, including for projects constructed by third parties. We are working on utilising the emerging O&M opportunities in battery storage and hybrid energy systems.



Revenue from O&M at
₹223 crore

Contracted
6.6 GW O&M business for 166 sites (including third-party)

Constitutes
One-third
of Third-Party Contracts for O&M

Constitutes
4.3%
of Total Revenue, compared to 4.9% in FY2021

Gross Margin for O&M business stood at
24.9%,
compared to 39.5% in FY2021

We are witnessing good traction with a portfolio of 6.6 GWp which contributes 4.3% to the Company's total revenue. We are tapping the potential of a growing O&M market globally, with an estimated size of 180 GW.

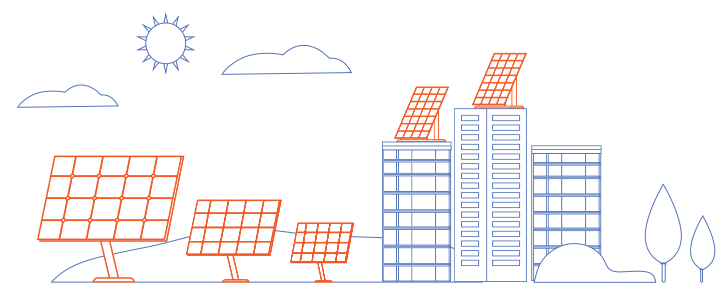
Our O&M vertical plays a central role in ensuring sustainability and long-term availability throughout the operational lifetime of the elements of the solar photovoltaic system. Its reliability and optimised system performance are key to ensuring success and continual adaptation of technology. At SWREL, we continue to demonstrate excellence and increase the level of quality and consistency. Through our high-quality O&M services, we mitigate potential risks and better our return on investment.

Digitalisation of modern solar PV plants has increased the amount of operational data at our disposal, which help produce added value and reduce costs. With more and more processes and procedures digitised in O&M, we are unlocking the value of predictive maintenance and making increased use of it, which results in improvement in efficiencies and general reduction of our levelised cost of electricity (LCOE).

We aim to further increase our market share in the O&M segment by identifying profitable opportunities through global customer mapping. We are also leveraging our strong partnerships with global IPPs.

Our Expertise in O&M

- Drone thermography
- Mechanised and robotic module cleaning
- Fault-finding by in-house cable fault locating system
- IV curve diagnostic, computerised maintenance management
- On-Site EL-Test and Flash Test
- Using in-house NABL accredited PV Mobile Testing Lab
- Using in-house experts for testing relays
- Using protection system of HV and EHV equipment and circuits



FOSTERING COMMUNITY WELL-BEING

At Sterling and Wilson Renewable Energy, our key objective is to contribute to the society equally and fully. Through our initiatives and activities, we work closely with local communities, enabling the beneficiaries to progress in life and provide them with the right opportunities for powering an inclusive future.

During FY2022, the Company earmarked a sum of ₹ 4.01 crore (₹ 0.82 crore spent) and identified key CSR projects for its utilisation. With support from Indian Development Foundation, we took up several projects aimed at education and skill development, clean water and sanitation, quality education, climate action, skill development, zero hunger, among others, on a pan-India basis.

During the pandemic, it carried out relief projects for transgenders at the Dharavi slum. It also distributed ration kits for COVID-19 relief for frontline warriors, barbers, homeless elders and porters.

Out of the total budget, the Company has spent in giving medical financial support and have helped families who were affected by the COVID-19 for sustenance.

The below CSR Projects were taken up at select locations:

A. Community and Skill Development

Development of Anganwadi into Nandhghar

We are developing Anganwadis into Nandhghar at Chauda Anganwadi in Khanvel, near our factory Sterling Generators Pvt. Ltd. Nandhghar is a network of modern Anganwadis designed to address the challenges faced by the network of 13.7 lakh Anganwadis in India. It provides an enabling environment through creative wall paintings, building as learning aid board to enable cognitive ability, early learning activity kit. Nandhghars aim to provide pre-primary education through interactive learning to children aged 3-6 years and empower the tribal women through skill, credit linkage and entrepreneurship development. The space at Nandhghar will be utilised for education during the day and for skill development of women in the afternoon. The Nandhghar centres provides pre-school education and pre-cooked nutritious meals to more than 100 Adivasi children.

National Bag Making

We are supporting a project called National Bag Making which provides skill training to 50 disabled persons per batch of one year duration. On completion of this training, they provide employment or self-employment to these disabled through the co-operative "Indian Disabled Service Cooperative Society Ltd". An additional 200 disabled persons will also be provided jobs under the "Home Work" scheme. The scheme will continue through February 2023.

B. Education and Community Development

Disha Bandipur

Kshiti Foundation aims to engage, empower and enrich children. Another initiative under this has been Disha Bandipur, a rural education project aimed at educating the rural children of Bandipur forest area. The project involves 100+ sponsors and supporters, 100+ volunteers and a management team of over 10 people. During the pandemic, closing of schools led to devastating consequences for children's learning and well-being. The Project Ambassador Master Manjunath visited the project site. There was also a health awareness session conducted by Dr. Ajay Sharma.

Schools and Children

Under the Disha initiative to empower rural children, we set up a community learning centre having 15 teachers deployed in each school to provide teaching support to the children during 120 days of engagement. This initiative benefited 1,000 digitally disabled children from Classes 1-8 from 17 schools in Bargi cluster of Gundlupet Taluk, adjacent to Bandipur forest area.

Outcome

Children received exposure with live interactions of guests from various fields. We also enhanced their social skills with kitchen garden activities and also ignited curiosity among them through our science-based activities. With support from additional teaching staff, we achieved 100% implementation of Bridge program planned by the Government for each class for the academic year 2021-22. The programme also reduced the load and pressure of teachers and facilitated them in focussing on all the students.

Communities

A Mother's Group has been established in each school and created awareness to support learning at home for children and engaged local Panchayat members for their support. We also set up Kitchen Gardens in 6 schools with science activities, set up health awareness camps by doctors and conducted environmental awareness programmes.

Outcome

The programme enabled the community to engage and support primary education for children. Every person in the community has a platform to participate, share, learn and contribute.

Anando School Empowerment Program

In collaboration with Light of Life Trust, we started the Anando School Empowerment Program at Karjat. The project envisages enhancing the quality of education being imparted in secondary schools. It aims at impacting school teachers, students and their parents and make a difference in the overall quality of education and life of all the involved key stakeholders. The first phase of the project commenced in two schools in FY2020, and will complete by FY2024. The second phase started in FY2022 and is scheduled to complete by FY2027.

Project Locations:

- Omkar Madhyamik Vidyalaya, Shelu, Karjat
- Shri Kalbhairav Madhyamik Vidyalaya, Kirvali, Karjat
- Swami Vivekanand Vidyalaya, Gaurkamat, Jambivali

Key Initiatives and their impact	
Education material distribution impact	School's dropout ratio has been reduced with distribution of education material to students
Weekend workshops	Made students aware of self and self-identity; developed and nurtured all-round skills leading to confidence; and made students more disciplined with workshops
Student-friendly Supplementary Education Programme	• Foundation training in Maths and English helped average students strengthen their basic concepts • Activity based learning modules helped students develop interest towards the subject • Students used different Maths techniques to solve complex equations • Students learnt about different approaches to answer questions during exams
e-Learning	• Students getting more involved in studies; understanding the concept of every subject has become easier • E-Learning kit is also very useful for Teachers
Mahacharcha activity	• Students appearing for SSC exam gained more confidence • Students' aspiration level increased • Parents were empowered to support their children in better ways
Career guidance	• Students understood the availability of different career streams apart from Science, Commerce and Arts • Students were informed about various scholarship options
Teachers Training	• Work techniques helped teachers to contain the level of absenteeism of students in school • Teachers approach towards students is more subjective • Teachers learnt about ways to tackle stress through Stress Management Sessions
Students Action Forum Impact	• The Forum students are more supportive and are putting efforts to make the Notice Board creative and update it regularly • Students now have a platform to express their feelings better
Home visit impact	• Understanding between parents and students have increased to a great extent
Solar panel impact	• Schools pay marginal electricity bills and there are no power cuts
Science lab material impact	• Students gained an opportunity to handle lab equipment and conduct practicals • Developed interest among students towards the Science subject

C. Health and Sanitation

Enhancing Access to Water for Rural Women

Along with Swayam Shikshan Prayog, we undertook a project to enhance access to water for rural women and families through awareness, demonstration and convergence. This is aimed at community water harvesting in drought prone regions.

The project was implemented in 100 villages in the Nilanga block of Latur district and Kalamb block of Osmanabad district in Maharashtra. The project aims to enhance water access by promoting water conservation measures demonstration and convergence on farm and non-farm in the village households and at the community level.

Impact created

- 260 households gained knowledge on water usage, water required on daily basis, calculated existing source of water and identified opportunities for water savings across 100 villages
- Construction of 100 Water Ponds created water storage capacity of 5 lakh litres of water, saving the efforts of watering the fields in the night
- Construction of 215 Soak Pits increased percolation of waste water used for bathing and cleaning. Over 2,15,000 litre of water percolates on a daily basis, adding more than 6 lakh litres every month to ground water
- Farmers across 100 villages gained knowledge on government schemes, 151 farmers accessed and received a benefit of ₹ 13 lakh as subsidy through various schemes like drip irrigation, solar pumps and sprinklers

CORPORATE INFORMATION

Board of Directors

Mr. Khurshed Daruvala
Chairman, Non-Executive, Non-Independent Director

Mr. Pallon Mistry
Non-Executive, Non-Independent Director

Mr. Balanadu Narayan
Non-Executive, Non-Independent Director

Mr. Saurabh Agarwal
Non-Executive, Non-Independent Director

Mr. Keki Elavia
Non-Executive, Independent Director

Ms. Rukhshana Mistry
Non-Executive, Independent Director

Mr. Cherag Balsara
Non-Executive, Independent Director

Ms. Naina Krishna Murthy
Non-Executive, Independent Director

Key Management Team

Mr. Amit Jain
Global CEO

Mr. Chandra Kishore Thakur
Manager & CEO - Asia, Africa, Latin America and Europe

Mr. Bahadur Dastoor
Chief Financial Officer

Mr. Jagannadha Rao Ch. V.
Company Secretary & Compliance Officer

Mr. Praveen Jaiswal
Head – Operations & Maintenance

Mr. Rajneesh Shrotriya
Chief Technology Officer

Mr. Bikash Kumar
Head – Research & Development

Mr. Sanjeev Pushkarna
Head – Supply Chain Management

Mr. Basavarajappa C
Head – Human Resource

Mr. Vipin Gupta
Director – International Projects

Mr. Sanjay Kumar
Director – International Projects

Mr. EKS Sreekumar
Head – Quality

Ms. Shilpa Urhekar
National Head – Domestic Operations

Mr. Rahul Rao
Head – Corporate Communications

Registered Office

9th Floor, Universal Majestic,
P. L. Lokhande Marg,
Chembur (W),
Mumbai - 400 043, Maharashtra, India

Statutory Auditor

Kalyaniwalla & Mistry LLP

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.
(Unit: Sterling and Wilson Renewable Energy Limited)
C-101, 1st Floor, 247 Park
L.B.S Marg, Vikhroli (West)
Mumbai - 400 083, Maharashtra

Bankers

State Bank of India	RBL Bank Limited
EXIM Bank	YES Bank Limited
Axis Bank Limited	Societe Generale
HSBC	HDFC Bank Limited
DBS Bank Limited	IDFC First Bank
IDBI Bank Limited	BTMU
ICICI Bank Limited	Corporation Bank
IndusInd Bank Limited	

Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)
Regd. Office: Universal Majestic, 9th Floor, P. L. Lokhande Marg, Chembur (W), Mumbai – 400 043
Phone: (91-22) 25485300 | Fax: (91-22) 25485331 | CIN: L74999MH2017PLC292281
Email: info@sterlingwilson.com | Website: www.sterlingandwilsonre.com

Notice of 5th Annual General Meeting

NOTICE is hereby given that the 5th Annual General Meeting ("AGM") of the Members of Sterling and Wilson Renewable Energy Limited ("Company") is scheduled to be held on **Friday, September 30, 2022** at **03:00 p.m.** IST, through Video Conferencing ("VC")/Other Audio-Visual means ("OAVM"), to transact, the following businesses:

Ordinary Business

1. To consider and adopt:

   a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, and the reports of the Board and the Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, and the report of the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as an **Ordinary Resolution**:

      a) "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

      b) "**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To approve the appointment of Mr. Khurshed Yazdi Daruvala (DIN:00216905), Non-Executive Director of the Company, who retires by rotation as a Director and, in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Khurshed Yazdi Daruvala (DIN: 00216905) who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

3. To approve the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Registration No.: 117366W/ W-100018) as Statutory Auditors of the Company and in this regard, to consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Registration No.: 117366W/ W-100018) be and is hereby appointed as Statutory Auditors of the Company, in addition to the existing Statutory Auditor of the Company, for a term of 5 (Five) consecutive years from the conclusion of the 5th Annual General Meeting till the conclusion of the 10th Annual General Meeting of the Company, i.e. from F.Y. 2022-23 till F.Y. 2026-27.

   RESOLVED FURTHER THAT the Board of Directors or the Audit Committee be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolution and for all matters connected therewith and/or incidental thereto, as may be necessary and to finalize and fix the terms and conditions (including the remuneration, scope, functioning and methodology for conducting Statutory Audit) of the Statutory Auditor in connection with the work of audit to be carried out by them in mutual consultation with them."

Special Business

4. To approve appointment of Branch Auditors and in this regard, to consider, and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules framed thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the Board of Directors or the Audit Committee of the Company in consultation with the Company's Statutory Auditors be and is hereby authorised to appoint any person(s)/ firm(s) qualified to act as Branch Auditor as the Branch Auditor(s) of any branch office of the Company outside India, whether existing or which may be opened/acquired hereafter, in terms of the provisions of Section 143(8) of the Act to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration."

5. To approve the waiver of recovery of excess remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the financial year 2021-22 and in this regard, to consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such approvals as may be required, the approval of the Members of the Company be and is hereby accorded for waiver of recovery of excess managerial remuneration of ₹ 0.69 Crore paid to Mr. Chandra Kishore Thakur, Manager of the Company during the financial year 2021-22, which was in excess of the maximum remuneration permissible under the Act due to absence of profits of the Company during the financial year 2021-22.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors or the Nomination and Remuneration Committee be and is hereby authorized to finalize, sign and execute such document(s)/ deed(s)/ writing(s)/ paper(s)/ agreement(s) as may be required, to settle any question, difficulty or doubt that may arise in respect of the aforesaid remuneration, to delegate all or any of the above powers to any other Committee constituted by the Board of Directors or any Director(s)/ Official(s) of the Company and to do all acts, deeds, matters and things that may be deemed necessary, proper, expedient or incidental, in its absolute discretion for the purpose of giving effect to this resolution."

6. Approval to grant interest bearing loan to Shapoorji Pallonji and Company Private Limited and in this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** notwithstanding the restriction contained in Article 25A of the Articles of Association of the Company and pursuant to the applicable provisions of the Companies Act, 2013 and the rules framed thereunder, (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), and the recommendations of the Board of Directors of the Company, the consent and approval of the Shareholders be and is hereby accorded to grant an interest bearing loan of ~₹ 195 Crore to Shapoorji Pallonji and Company Private Limited, a Promoter of the Company, to implement and complete the 185,000 TPA waste to energy plant in Irvine, Scotland ("Project") granted by DY Oldhall Energy Recovery Limited aka. Doveyard Limited ("Developer") in view of the decision taken by the Board of Directors of the Company to not participate in this Project as a consortium partner.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any one of the Directors or Company Secretary of the Company, be and are hereby severally authorized to sign, execute and file necessary applications, forms, deeds, documents and writings as may be necessary on behalf of the Company, to perform all such acts, deeds, things and matters as may be necessary, proper or desirable and to sign and execute all the documents and returns along with filings of necessary e-forms with the Registrar of Companies."

By Order of the Board of Directors
For Sterling and Wilson Renewable Energy Limited

Place: Mumbai
Date: September 07, 2022

Jagannadha Rao Ch. V.
Company Secretary

Registered Office:
Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)
(CIN: L74999MH2017PLC292281)
Universal Majestic, 9th Floor, P. L. Lokhande Marg
Chembur (W), Mumbai – 400 043
Phone: (91-22) 25485300
Website: www.sterlingandwilsonre.com

Notes:

1. The Explanatory Statement pursuant to Section 102(a) of the Companies Act, 2013 ("the Act"), which sets out details relating to Special Businesses to be transacted at the 5th Annual General Meeting, is annexed hereto.

2. The Ministry of Corporate Affairs ("MCA") has allowed conducting General Meetings through video conferencing ("VC") or other audio-visual means ("OAVM") without the physical presence of the Members. Accordingly, the MCA issued Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 08, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022 ("MCA Circulars"), prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the MCA Circulars, the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations") the 5th Annual General Meeting ("AGM") of the Members is to be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the AGM through VC/OAVM is annexed herewith and also available at the Company's website i.e., www.sterlingandwilsonre.com. The deemed venue for the AGM shall be the Registered Office of the Company.

3. As per the Act, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto. However, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

4. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

5. Members who desire a change/correction in the bank account details, should intimate the same to their concerned depository participants ("DPs") and not to the Company's Registrar and Share Transfer Agent, i.e. Link Intime India Pvt. Ltd. ("RTA"). Members are also requested to give the MICR Code of their banks to their DPs. The Company or its RTA will not be able to entertain any direct request from Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered as will be furnished by the DPs.

6. Pursuant to the circulars issued by the MCA and SEBI, the Notice of this AGM along with the Annual Report for the financial year 2021-22 is being sent only through electronic mode to those Members who have registered their e-mail addresses with their respective DPs. The Members are requested to register their e-mail address with their respective DP by following the procedure prescribed by the DP.

7. Members may note that the Notice and Annual Report will also be available on the Company's website i.e. www.sterlingandwilsonre.com, websites of the Stock Exchanges i.e. BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively and also on the website of National Securities Depository Limited ("NSDL") i.e. www.evoting.nsdl.com.

8. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL. The Board has appointed Mr. Mannish Ghia, Partner of M/s. Manish Ghia & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the process of e-voting. The Company has received the consent from M/s. Manish Ghia & Associates to act as a Scrutinizer.

9. The voting results will be declared within 2 (Two) working days from the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be uploaded on the website of the Company i.e. www.sterlingandwilsonre.com and on the website of NSDL e-voting i.e. www.evoting.nsdl.com and the same shall also be communicated to BSE and NSE, where the Equity Shares of the Company are listed.

10. Members are requested to read the “General Shareholder Information” section of the Annual Report for useful information.

11. The Audited Financial Statements of the Company and its subsidiary companies are available on the Company’s website i.e. www.sterlingandwilsonre.com.

12. The Annual Financial Statements of the Company’s subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.

13. Non-resident Indian Members are requested to inform their concerned DPs, immediately on:

    a) the change in the residential status on return to India for permanent settlement.

    b) the particulars of the NRE Account with a Bank in India, if not furnished earlier.

14. Members are requested to make all correspondence in connection with shares held by them by writing directly to the Company or its RTA, quoting their DP ID-Client ID.

15. In terms of Section 152 of the Act, Mr. Khurshed Yazdi Daruvala, Non-Executive Director of the Company, retires by rotation at this AGM. The Board of Directors recommend his appointment as Director of the Company liable to retire by rotation. Mr. Khurshed Daruvala is interested in the Ordinary Resolution set out at Item No. 2 of the Notice. The relatives of Mr. Khurshed Daruvala may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

    Save and except the above, None of the Director(s) and/ or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, except to the extent of their equity holding in the Company, if any, in the Ordinary Business set out under Item No. 2 of the Notice.

    Details of Director seeking appointment at this Meeting is provided in the “**Annexure 1**” to the Notice.

16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the Certificate from the Secretarial Auditors in respect of the Company’s Employee Stock Option Scheme will be available electronically for inspection by the Members during the AGM. All the documents referred to in the Notice and Explanatory Statement, shall also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of the AGM. Members seeking to inspect such documents can send an e-mail to ir@sterlingwilson.com.

    Members, desirous of obtaining any information/ clarification on the accounts and operations of the Company, are requested to address their communication to the Company at its registered office or on ir@sterlingwilson.com, so as to reach at least one week before the date of the AGM, so that the required information can be made available at the Meeting, to the extent possible.

Participation at the AGM and Voting

1. Members will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-voting system. Members may access the same at https://www.evoting.nsdl.com under Shareholders/ Members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in Shareholder/ Members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for NSDL e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding in the Company), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their full name, DP ID-Client ID, PAN, mobile number at ir@sterlingwilson.com between **9:00 a.m. (IST) on Wednesday, September 21, 2022 and 5:00 p.m. (IST) on Friday, September 23, 2022**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

4. The Members who do not wish to speak during the AGM but have queries on accounts or any matter to be placed at the AGM may send the same latest by **Friday, September 23, 2022** mentioning their full name, DP ID-Client ID, PAN, mobile number at ir@sterlingwilson.com. These queries will be replied suitably either at the AGM or by e-mail.

5. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to auditteam@mgconsulting.in with a copy marked to ir@sterlingwilson.com and evoting@nsdl.co.in.

6. Members are encouraged to join the Meeting through laptops/ ipads connected through broadband allow the camera functionality for a better and seamless experience. Please note that participants connecting from mobile devices or tablets or through laptop connecting via Mobile Hotspot may experience audio/ video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

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

   The remote e-voting period begins on Tuesday, September 27, 2022 at 09:00 A.M. IST and ends on Thursday, September 29, 2022 at 05:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 23, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

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

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

Step 1: Access to NSDL e-voting system

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

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/ Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Holding shares in NSDL/CDSL	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail IDs are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

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

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ir@sterlingwilson.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ir@sterlingwilson.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

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

The instructions for Members for e-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

Item No. 3

The Members of the Company, at their 4th Annual General Meeting ("4th AGM") held on September 30, 2021, appointed M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Registration No. 104607W/W100166) ("K&M") as the Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive years from the conclusion of 4th AGM till the conclusion of 9th AGM.

Reliance New Energy Limited (Formerly known as Reliance New Energy Solar Limited), a Promoter of the Company, has nominated M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/ W-100018) to be appointed as a Statutory Auditor of the Company, in addition to the existing statutory auditor of the Company.

The Audit Committee at its meeting held on September 07, 2022 have taken into account the experience and expertise of M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No. 117366W/ W-100018) ("Deloitte") and recommended to the Board their appointment as Statutory Auditors. The Board of Directors at their Meeting held on September 07, 2022 have recommended the appointment of Deloitte as Statutory Auditors of the Company for a period of 5 (Five) consecutive years from the conclusion of 5th AGM till the conclusion of 10th AGM on such terms and conditions (including the remuneration, scope, functioning and methodology for conducting Statutory Audit) of the Statutory Auditor as may be fixed in mutual consultation with them.

The brief profile of Deloitte is as under:

Deloitte Haskins & Sells was constituted in 1997 and was converted to a Limited Liability Partnership, Deloitte Haskins & Sells LLP ("Deloitte"), in November 2013. Deloitte is registered with the Institute of Chartered Accountants of India (Registration No. 117366W/W-100018). The Firm has around 4000 professionals and staff. Deloitte has offices in Mumbai, Delhi, Kolkata, Chennai, Bangalore, Ahmedabad, Hyderabad, Coimbatore, Kochi, Pune, Jamshedpur and Goa. The Firm has been engaged in statutory audits of some of the large companies in the Power & Energy sector.

Additional information pursuant to Regulation 36(5) of the SEBI Listing Regulations are provided below:

The proposed remuneration to be paid to the Statutory Auditors i.e. K&M and Deloitte for the F.Y. 2022-23 is ₹ 1.20 Crore plus applicable taxes and reimbursement of out-of-pocket expenses.

The proposed fee is commensurate with the audit activity and the number of Statutory Auditors.

The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee.

Deloitte has been founded in 1997 and has around 4000 professionals and staff. It has offices in major cities in the country. It has been engaged in statutory audits of some of the large companies in the Power & Energy sector.

Deloitte have consented to the aforesaid appointment and confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 and Section 141 of the Act. They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the Act and the Rules made thereunder.

Deloitte has also provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

Accordingly, approval of the Members is sought for appointment of Deloitte as Statutory Auditors of the Company and to authorise the Board and Audit Committee to fix their remuneration.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Director(s) and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, in the proposed Ordinary Resolution, except to the extent of their equity holding in the Company, if any.

Item No. 4

In line with its global aspirations, the Company has set-up several branches outside India for the execution of projects awarded to the Company in various countries. Further, the Company may also open new branches outside India in future. For carrying out the audit of the accounts of such branches, it is necessary to appoint Branch Auditors.

The Members are requested to authorise the Board of Directors/ Audit Committee of the Company to appoint Branch Auditor(s) in consultation with the Statutory Auditors of the Company to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Director(s) and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, in the proposed Ordinary Resolution, except to the extent of their equity holding in the Company, if any.

Item No. 5

The Members of the Company at their 3rd Annual General Meeting held on September 30, 2020, had by way of an Ordinary Resolution approved the appointment and remuneration of Mr. Chandra Kishore Thakur, Manager of the Company. The details of his appointment and remuneration are as under:

Name	Date of Members' approval (AGM)	Term	Remuneration paid for F.Y. 2021-22 (₹ in INR)
Mr. Chandra Kishore Thakur	September 30, 2020	3 years (w.e.f. September 01, 2020)	2.04 Crore

As per the provisions of the Act read with Schedule V, the maximum remuneration that could be paid by the Company to its Manager should not exceed 5% of the net profits of the Company computed in the manner laid down in Section 198 of the Act.

At the time of his appointment, the Company had adequate profits and the remuneration to be paid to Mr. Chandra Kishore Thakur was well within the limits approved by the Members. However, during the financial year 2021-22, the Company faced certain unprecedented adverse circumstances and the Company had registered a loss of approx. ₹ 107 Crore calculated as per Section 198 of the Act.

As a result of the above, the aggregate remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the financial year 2021-22 exceeded the limits specified under Section 197 of the Act read with Schedule V thereto.

Pursuant to Section 197(10) of the Act, the Members of the Company could waive the recovery of excess remuneration by passing a special resolution.

The table below demonstrates the total remuneration including the excess amount paid to Mr. Chandra Kishore Thakur for the financial year ended March 31, 2022 and remuneration permissible under Section 197 read with Schedule V of the Act:

(Amount in ₹ Crore)

Name	Remuneration paid for F.Y. 2021-22	Maximum permissible limit (As per Schedule V of the Act)	Excess payment
Mr. Chandra Kishore Thakur	2.04	1.34	0.69

Considering the valuable contribution made by Mr. Chandra Kishore Thakur to the Company, it is appropriate and justifiable to waive off the requirement of recovery of proportionate excess remuneration paid to him due to inadequate profits.

The Nomination and Remuneration Committee and the Board of Directors have at their respective meetings, subject to the approval of the Members of the Company, accorded their approvals for waiver of recovery of excess managerial remuneration paid by the Company to Mr. Chandra Kishore Thakur during the financial year 2021-22.

The Company has not defaulted in payment of dues to any bank or public financial institution or other secured creditor, if any.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

The information as required to be disclosed as per the provisions of Part II Section II(b)(iv) of Schedule V of the Act is given in the **Annexure 2** to the Notice.

Other than Mr. Chandra Kishore Thakur, none of the Director(s) and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, in the proposed Special Resolution, except to the extent of their equity holding in the Company, if any.

Item No. 6

The Members may note that in order to not further lend any money to the Promoters i.e. Shapoorji Pallonji and Company Private Limited and Khurshed Daruvala and the Companies promoted by them, and associate companies over and above the outstanding loans payable by them to the Company, during the Initial Public Offer of the Company, the Board of Directors ("Board") of the Company at its meeting held on June 28, 2019 had approved to insert the following article in the Articles of Association of the Company ("AoA"), subject to the approval of the Members. Further, the Members approved the amendment to the AoA at their Extraordinary General Meeting held on July 08, 2019.

25A. "From the date of listing of the equity shares of the Company on BSE Limited and/or the National Stock Exchange of India Limited, no loans shall be granted by the Company to (i) Shapoorji Pallonji and Company Private Limited ("SPCPL");

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(ii) promoters, subsidiaries, associates and joint ventures of SPCPL; (iii) Khurshed Yazdi Daruvala; and (iv) entities promoted by Khurshed Yazdi Daruvala or entities over which Khurshed Yazdi Daruvala has the ability to exercise significant influence whether directly or indirectly. However, nothing stated in this article shall restrict the ability of the Company to grant loans to its own subsidiaries, joint ventures and its associates."

The Members may note that all the outstanding loans of ₹ 2,563 Crore as on the date of listing of Company's Equity Shares on the Stock Exchanges have been completely repaid by the Promoters and their associate companies along with all interest accrued thereon as on September 29, 2021 and there are no outstanding loans due to the Company from any of the above parties as on date.

The Members may further note that a consortium comprising of the Company, Shapoorji Pallonji and Company Private Limited ("SPCPL") and STC Power SRL ("STC") were awarded an engineering, procurement and construction contract ("Contract") by DY Oldhall Energy Recovery Limited aka. Doveyard Limited ("Developer") in relation to a 185,000 TPA waste to energy plant in Irvine, Scotland ("Project"), under which the Company, SPCPL and STC were jointly and severally liable for all obligations under the Contract as consortium members. For the purposes of the Project, the following bank guarantees had been provided by the Company: (i) advance payment bond of GBP 21,874,527 (Great Britain Pounds Twenty One Million Eight Hundred Seventy Four Thousand Five Hundred Twenty Seven); and (ii) performance bond of GBP 7,291,509 (Great Britain Pounds Seven Million Two Hundred Ninety One Thousand Five Hundred Nine) ("Guarantees") in favour of the Developer and the Developer paid an amount of GBP 20,780,800 (Great Britain Pounds Twenty Million Seven Hundred Eighty Thousand Eight Hundred) to the Company as advance to execute the Project.

The Board of Directors at its meeting held on December 30, 2021, deliberated and decided that until the Company develops necessary expertise in the waste to energy sector it is appropriate to currently limit itself to its core business of solar projects. Accordingly, the Board decided that the Company should not be involved in this Project at this point of time and that the Company should not be exposed to joint and several liability under the Contract. It was also decided that, subject to the approval of the Developer, (i) the Company should novate the Contract in favour of STC and SPCPL; and (ii) replace the Guarantees with the bank guarantees to be arranged by SPCPL.

In this connection, an agreement was entered into by the Company with SPCPL agreeing to novate the Contract and to replace and cancel the Guarantees subject to approval of the Developer. The Members may further note that pursuant to this agreement, it was proposed that your Company would not be involved in the Project and would not in any manner be liable to the Developer, SPCPL and STC or any third party in relation to the Project and the risks in relation to the Project should be borne entirely by SPCPL and STC in accordance with the Contract executed with the Developer. Further, it was also proposed that pending execution of the novation agreement and replacement of the Guarantees by SPCPL, the Company agreed to transfer, upon the request of SPCPL, the advance or its equivalent amount received by the Company from the Developer to SPCPL, in the form of an interest bearing loan and on such terms as may be mutually agreed in writing between the Company and SPCPL. On execution of the novation agreement, replacement of the Guarantees by SPCPL and the risks and rewards of the Project being transferred to SPCPL & STC, and upon the interest bearing loan is repaid by SPCPL, the advance from the Developer will be transferred by the Company to SPCPL.

In view of the restrictive Article 25A of the AoA, it is proposed to seek the approval of the Members to enable the Company to give interest bearing loan of ~₹ 195 Crore to SPCPL for the above purpose, as an exception to Article 25A of the AoA.

The Members may further note that the abovesaid agreement entered into by the Company with SPCPL, being a related party transaction under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been approved by the Audit Committee of the Company at its meeting held on December 30, 2021.

Further, granting of loan by the Company to other persons and body corporate, is permitted under the provisions of the Act read with Rules made thereunder, subject to the Company complying with the requirements specified thereunder.

The Board recommends the Special Resolution set out at Item No. 6 for the approval of the Members.

Except Mr. Khurshed Yazdi Daruvala, Chairman and Non- Executive Director and Mr. Pallon Mistry, Non-Executive Director and representative of SPCPL, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution, financial or otherwise, except to the extent of their equity holding in the Company.

Annexure 1

Details of the Director seeking re-appointment in the AGM pursuant to the provisions of Regulation 36 of SEBI Listing Regulations, as amended and Clause 1.2.5 of Secretarial Standards-2 on General Meetings are as under:

Name of Director	Mr. Khurshed Yazdi Daruvala
Director Identification Number	00216905
Date of Birth/Age	March 22, 1969/53 years
Date of First Appointment on Board	April 25, 2018
Brief resume including Experience and expertise in specific functional area	Mr. Daruvala holds a bachelor's degree in commerce from the University of Mumbai and is an associate member of the Institute of Chartered Accountants of India (ICAI). He has been part of the Sterling and Wilson Group for almost 26 years and was the erstwhile Managing Director of Sterling and Wilson Private Limited. He has been on the Board of Sterling and Wilson Renewable Energy Limited since April 25, 2018.
Terms and conditions of appointment/ re-appointment	He is proposed to be re-appointed as a Non-Executive Director, liable to retire by rotation.
Shareholding in the Company, including shareholding as beneficial owner as on March 31, 2022	1,13,84,544 Equity Shares representing 6.00% of the total paid-up Equity Share Capital of the Company.
Remuneration (including sitting fees, if any) last drawn in F.Y. 2021-22	Remuneration drawn by him from the Company comprises of sitting fees paid to him for attending the meetings of the Board of Directors and its Committee(s) wherever he is a member.
Remuneration sought to be paid	Remuneration proposed to be paid to him by the Company would comprise of sitting fees for attending the meetings of the Board of Directors and/or its Committee(s) wherever he is a member and Commission, if any, as a % of net profits of the Company for the relevant financial year as may be approved by the Board.
Relationship with the other Directors and Key Managerial Personnel of the Company	None
No. of Board Meetings attended during the financial year 2021-22	9 out of 9
List of other Indian Public Limited Companies in which Directorships held	Nil
Listed Companies from which the Director has resigned in the past three years	Nil
Chairman/Member of Committee(s) of Board of Directors of the Company [1]	Audit Committee–Member Stakeholders Relationship Committee–Chairman
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which he is a Member/Chairman [1]	Nil

Note:

(1) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Memberships/ Chairmanships in only two committees viz. Audit Committee and Shareholders Relationship Committee of Public Limited Companies are considered.

Annexure 2

Additional information as required pursuant to the provisions of Part II Section II(b)(iv) of Schedule V of the Companies Act, 2013 in respect of Item No. 5 of the Notice is as follows:

I. General Information

1. Nature of Industry

The Company was incorporated at Mumbai on March 09, 2017 under the provisions of the Companies Act, 2013. The Company is a global pure-play, end-to-end solar engineering, procurement and construction ("EPC") solutions provider. The Company provides EPC services for utility-scale solar power projects across the world with a focus on project design and engineering and manages all aspects of project execution from conceptualizing to commissioning. The Company also provides operations and maintenance ("O&M") services (including for projects constructed by third parties) and solar power generation plus storage solutions to its customers.

2. Date or expected date of commencement of commercial production

Not applicable

3. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable

4. Financial performance based on given indicators

(₹ in Crore)

Particulars	Standalone		
	FY 2021-22	FY 2020-21	FY 2019-20
EBITDA	(194.17)	(189.60)	372.15
Less: Depreciation Finance Cost	 7.90 75.34	 8.20 67.59	 6.33 146.25
Add: Interest Income	71.99	122.72	211.91
(Loss)/Profit before tax	(205.42)	(142.67)	431.48
Provision for tax (including deferred tax)	(37.90)	(31.23)	114.78
Loss/Profit after tax	(167.52)	(111.44)	316.70

5. Foreign Investments or collaborations, if any

Nil

II. Information About Manegerial Personnel

Particulars	Mr. Chandra Kishore Thakur
Background details	Mr. Chandra Kishore Thakur has over 36 years of experience in the Power and Infrastructure sector. He holds a Bachelor of Science (Mechanical Engineering) Degree from NIT Jamshedpur (formerly known as Regional Institute of Technology, Jamshedpur) and Master of Business Administration from the Indira Gandhi National Open University, New Delhi. He has previously worked with Punj Lloyd Limited as the President and Chief Executive Officer – Infrastructure and Power, Lanco Infratech Limited as the Chief Operating Officer and NTPC Ltd. as Deputy General Manager. He holds Vice-President position of the National Management Committee of 'Project Management Associates' (PMA) India, a not-for-profit organization and a member association of 'International Project Management Association' (IPMA).
Past remuneration	2020-21 – ₹ 1.08 Crore* 2021-22 – ₹ 2.04 Crore
Recognition or awards	Not Applicable
Job profile and his suitability	Mr. Thakur has been entrusted with substantial powers of the management of the business and affairs of the Company. The Company has been substantially benefitted by his professional knowledge and managerial expertise. Apart from managing operations of the Company in many geographies, Mr. Thakur also plays a major role in providing strategic inputs to the Company.
Remuneration proposed	As stated in the Item No. 5
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration of Mr. Thakur is comparable to that drawn by the peers in the similar capacity in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	None

**Mr. Thakur was appointed as the Manager of the Company effective September 01, 2020 and this amount represents remuneration paid for the period from September 01, 2020 to March 31, 2021.*

III. Other Information

(1) Reasons of loss or inadequate profits

The margins have been significantly impacted primarily on account of increase in module prices, liquidated damages and increase in overhead and subcontracting costs due to extension in project timelines because of Covid-19 and module delivery delays.

(2) Steps taken or proposed to be taken for improvement

The Company assesses on regular basis the possible impacts of Covid-19 and other internal and external factors on its financial statements. The Company is making necessary efforts to maintain its leadership and improve its performance by aggressively implementing its strategies and cost reduction initiatives along with revenue enhancement initiatives. Moreover, the Company continues to closely monitor any material changes arising of future economic conditions and impact on its business.

(3) Expected increase in productivity and profits in measurable terms

Not Quantifiable

IV. Disclosures

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors

In terms of the provisions of the Act and in line with the Articles of Association of the Company, the Non-Executive Directors including Independent Directors are paid sitting fees on a uniform basis for attending various meetings of the Board and the Committees thereof. The details of sitting fees paid to the Directors during the Financial Year 2021-22 are mentioned in the Corporate Governance Report. The Company does not have any Executive Directors. No salary, benefits, bonuses, stock options, pension etc. is paid to any of the Directors.

Further, Mr. Chandra Kishore Thakur, Manager of the Company was paid remuneration of ₹ 2.04 Crore for financial year 2021-22. No other benefits, bonuses have been paid to Mr. Thakur.

(ii) **Details of fixed component and performance linked incentives along with the performance criteria;**
Other than sitting fee to the Directors and salary to Mr. Chandra Kishore Thakur, no fixed component or performance linked incentives have been paid to any of the Directors or to Mr. Chandra Kishore Thakur during the financial year 2021-22.

(iii) **Service contracts, notice period, severance fees;**
A separate service contract is not entered into by the Company with any of its Directors. No notice period or severance fee is payable to any Director.

No separate service contract is entered into by the Company with the Manager. However, an appointment letter was issued to Mr. Thakur, as per which the notice period to terminate the employment is 3 (Three) months. No severance fee is payable to the Manager.

(iv) **Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.**
No Stock Options have been granted to any Directors.

86,883 Stock Options were granted on July 16, 2021 to Mr. Chandra Kishore Thakur at an exercise price of ₹ 238 which is at ~15% discount to the closing market price of ₹ 279.65 as on July 15, 2021 on BSE Limited.

Options granted to him shall vest in four equal annual instalments after one year from the date of grant. The Exercise Period in respect of a vested option shall be 4 years from the date of vesting.

Directors' Report

Dear Members,

Your Directors are pleased to present the 5th Annual Report along with the Audited Financial Statements of Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited) ("the Company") for the Financial Year ended March 31, 2022.

Financial Performance

The key highlights of the financial performance of the Company for the Financial Year ended March 31, 2022 along with comparison with the previous Financial Year ended March 31, 2021 are provided below:

(₹ in Crore)

Particulars	Consolidated		Standalone	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from Operations	5,198.94	5,080.80	3,459.58	3,176.17
EBITDA	(859.35)	(362.37)	(194.17)	(189.60)
Less:				
Depreciation	14.67	16.51	7.90	8.20
Finance Cost	76.71	93.09	75.34	67.59
Add:				
Interest Income	40.57	131.93	71.99	122.72
(Loss)/ Profit before tax	(910.16)	(340.04)	(205.42)	(142.67)
Provision for tax (including deferred tax)	5.60	(50.00)	(37.90)	(31.23)
Loss/ Profit after tax	(915.76)	(290.04)	(167.52)	(111.44)

On a consolidated basis, the revenue from operations for the Financial Year 2021-22, stood at ₹ 5,198.94 Crore as compared to ₹ 5,080.80 Crore in the Financial Year 2020-21. The consolidated loss after tax amounted to ₹ (915.76) Crore in the Financial Year 2021-22 as against a loss of ₹ (290.04) Crore in the Financial Year 2020-21.

On a standalone basis, the revenue from operations for the Financial Year 2021-22, stood at ₹ 3,459.58 Crore as compared to ₹ 3,176.17 Crore in the Financial Year 2020-21. The standalone loss after tax amounted to ₹ (167.52) Crore as against a loss of ₹ (111.44) Crore in the Financial Year 2020-21.

Revenue from operations increased to ₹ 5,198.9 Crore in the Financial Year 2021-22 from ₹ 5,080.80 Crore in the Financial Year 2020-21.

Adjusted gross margins (adjusted for MTM impact) stood at (9.7%) in the Financial Year 2021-22 as compared to 1.2% in the Financial Year 2020-21. Gross margins for the Financial Year 2021-22 continue to remain impacted significantly primarily on account of increase in modules prices, liquidated damages and increase in overhead and subcontracting costs due to extension in project timelines because of Covid-19 and module delivery delays.

The O&M business revenue decreased by 11.6% to ₹ 222.9 Crore in the Financial Year 2021-22 from ₹ 252.10 Crore in the Financial Year 2020-21.

Other Income stood at ₹ 35 Crore in the Financial Year 2021-22 as compared to ₹ 27 Crore in the Financial Year 2020-21.

Business Overview

The Company is a global pure-play, end-to-end solar engineering, procurement, and construction ("EPC") solutions provider. The Company provides EPC services primarily for utility-scale solar power projects with a focus on project design and engineering and manages all aspects of project execution from conceptualizing to commissioning. The Company also provides operations and maintenance ("O&M") services, including for projects constructed by third parties.

The Company's operations are supported by a competent and sizable design and engineering team which is responsible for designing solutions that it believes are innovative and cost effective, with an aim to increase the performance ratio of solar power projects. The Company believes that its design and engineering solutions, coupled with robust quality compliance checks on PV modules helps it in achieving more than the contractually agreed performance ratio for the solar power projects it constructs.

The Company uses its subsidiaries and branch offices globally for its operations. The Company leverages these offices to strategically tap solar opportunities in markets in which it does not have a permanent presence. The Company strategically focuses on markets that have conducive solar power policies and high solar resources and invests in geographies having long term solar opportunities. The Company also adopts a disciplined expansion strategy that it customizes for each market with a view to enhancing its bidding abilities in these geographies.

Material events during the year under review

Pursuant to the Share Subscription Agreement ("SSA") entered into between the Company, Shapoorji Pallonji and Company Private Limited ("SPCPL"), Mr. Khurshed Daruvala and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) ("RNEL"), the Board at its meeting held on October 10, 2021, approved the issuance of 2,93,33,333 (Two Crore Ninety Three Lakhs Thirty Three Thousand Three Hundred and Thirty Three only) Equity Shares of face value of ₹ 1/- each at a price of ₹ 375/- per equity share aggregating to ₹ 1,099,99,99,875/- (Rupees One Thousand Ninety Nine Crore Ninety Nine Lakhs Ninety Nine Thousand Eight Hundred and Seventy Five only) on a preferential basis to RNEL, a wholly-owned subsidiary of Reliance Industries Limited ("Preferential Issue").

The Shareholders approved the Preferential Issue at its Extraordinary General Meeting held on November 02, 2021. Further, the Board at its meeting held on December 30, 2021 approved the allotment of 2,93,33,333 Equity Shares to RNEL on preferential basis.

Further, RNEL has become one of the Promoters of the Company post the above said preferential allotment.

Pursuant to the Share Purchase Agreement ("SPA") entered into between SPCPL, Mr. Khurshed Daruvala and RNEL, SPCPL sold 1,84,00,000 Equity Shares of the Company ("Tranche I Sale Shares") to RNEL on January 06, 2022. Further, SPCPL and Mr. Khurshed Daruvala have sold 1,53,80,904 and 42,86,846 Equity Shares ("Remaining Sale Shares") respectively to RNEL on February 09, 2022.

Also, pursuant to the open offer made by RNEL along with its PACs, 84,76,251 Equity Shares (4.47% of total paid-up equity share capital) were tendered by the public shareholders of the Company and accepted by RNEL.

Together with the Preferential Issue of 2,93,33,333 Equity Shares by the Company to RNEL on December 30, 2021, the sale of Tranche 1 Sale Shares and Remaining Sale Shares and the Equity Shares acquired by RNEL from the public shareholders in the open offer, RNEL holds 7,58,77,334 Equity Shares representing 40.00% of the total share capital of the Company as on March 31, 2022.

Share Capital

Consequent to the Preferential Issue to RNEL, during the year under review, the issued, subscribed and paid-up equity share capital of the Company has increased from ₹ 16,03,60,000 to ₹ 18,96,93,333.

The issued, subscribed and paid-up equity share capital of the Company as at March 31, 2022 stood at ₹ 18,96,93,333 comprising of 18,96,93,333 Equity Shares of ₹ 1/- each fully paid.

Transfer to Reserves

No amount has been transferred to general reserves for the Financial Year ended March 31, 2022.

Dividend

During the year under review, the Board has not recommended dividend on the equity shares of the Company.

In terms of the provisions of Regulation 43A of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations), the Company has formulated a Dividend Distribution Policy. The Policy is enclosed as *Annexure A*, and is also available on the Company's website and can be accessed at https://www.sterlingandwilsonre.com/pdf/reg/dividend-distribution-policy.pdf

Subsidiaries

During the year under review, Sterling and Wilson International Solar FZCO ("SWFZCO"), a wholly owned subsidiary of the Company increased its shareholding in Sterling and Wilson Middle East Solar Energy L.L.C ("SWME Solar") from 147 fully paid equity shares of AED 1,000 representing 49% of the total share capital to 300 fully paid-up equity shares of AED 1,000 representing 100% of total share capital of SWME Solar. Consequent to the same, SWME Solar is now a wholly owned subsidiary of SWFZCO.

Further, 10 (Ten) subsidiaries have been incorporated by Sterling and Wilson Solar Spain, S.L. namely, Esterlina Solar – Proyecto Uno, S.L., Esterlina Solar - Proyecto Dos, S.L., Esterlina Solar – Proyecto Tres, S.L., Esterlina Solar – Proyecto Cuatro, S.L., Esterlina Solar – Proyecto Cinco, S.L., Esterlina Solar – Proyecto Seis, S.L., Esterlina Solar – Proyecto Siete, S.L., Esterlina Solar – Proyecto Ocho, S.L., Esterlina Solar – Proyecto Nueve, S.L. and Esterlina Solar – Proyecto Diez, S.L. However, no capital has been infused in these companies as on March 31, 2022.

The Company has 24 (Twenty Four) subsidiaries as on March 31, 2022 comprising of 5 (Five) direct subsidiaries and 19 (Nineteen) step down subsidiaries. The Company also has share in a partnership firm in India.

In accordance with the SEBI Listing Regulations, the Company has formulated a policy for determining its material subsidiaries. The said Policy is available on the Company's website and can be accessed at https://www.sterlingandwilsonre.com/pdf/reg/policy-on-material-subsidiaries.pdf

Performance Highlights

The Audit Committee/ Board reviews the Financial Statements, significant transactions and investments of all the subsidiary companies. The minutes of the subsidiary companies are also placed before the Board at its meetings.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of Financial Statements of the Company's subsidiaries in Form AOC-1 is attached to the Financial Statements of the Company.

The said Form also highlights the financial performance of each of the subsidiaries of the Company included in the Consolidated Financial Statements pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

Further, pursuant to the provisions of Section 136 of the Act, the Standalone and Consolidated Financial Statements of the Company along with relevant documents and separate audited Financial Statements in respect of subsidiaries, are available on the website of the Company at https://www.sterlingandwilsonre.com/investor-relations/financials

Consolidated Financial Statements

In accordance with the provisions of Section 129(3) of the Act and Regulation 34 of the SEBI Listing Regulations, the Audited Consolidated Financial Statements of the Company forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

Deposits

The Company has not accepted any deposits within the meaning of Section 2(31) and Section 73 of the Act and the Rules framed thereunder. As on March 31, 2022, there were no deposits lying unpaid or unclaimed.

Particulars of Loans, Guarantees, Investments & Securities

Pursuant to section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, disclosures relating to loans, advances and investments as on March 31, 2022 are given in the Notes to the Standalone Financial Statements.

Directors & Key Managerial Personnel

Directors

Your Company's Board consists of global leaders and visionaries who provide strategic direction and guidance to the organization. As on the date of this report, the Board comprised of 4 (Four) Non- Executive Directors and 4 (Four) Non-Executive Independent Directors.

Cessation

During the year under review, Mr. Arif Saleh Doctor (DIN: 08390169), an Independent Director of the Company, demitted his office as a Director of the Company with effect from the close of business hours on February 18, 2022, on account of personal reasons. The Board placed on record its sincere appreciation for the valuable contribution and services rendered by Mr. Arif Saleh Doctor during his tenure as an Independent Director of the Company.

Mr. Bikesh Ogra (DIN: 08378235), a Non-Executive Director of the Company, demitted his office as a Director of the Company with effect from April 07, 2022, on account of his enhanced commitments in other avenues being presently pursued. The Board placed on record its sincere appreciation for the valuable contribution and services rendered by Mr. Bikesh Ogra during his tenure as a Non-Executive Director of the Company.

Appointment

Subject to the approval of the Shareholders and based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board at its meeting held on March 29, 2022, appointed Mr. Cherag Balsara (DIN:07030974), as an Additional Director, designated as Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) consecutive years commencing with effect from March 29, 2022 to March 28, 2027.

Pursuant to the terms of the SSA and SPA it was *inter alia* agreed between the parties to the agreements that 4 (Four) new Independent Directors shall be appointed to the Board of the Company to further increase the Boards' strength's and to help bring in diverse thoughts and ideas at the Board level and thereby ensure that the Board achieves better decision making and governing abilities, with the diversity of experience, knowledge, perspective and gender in the Board of Directors. The existing Independent Directors of the Company shall continue to remain on the Board.

Accordingly, subject to the approval of the Shareholders and based on the recommendation of the NRC, the Board at its meeting held on April 07, 2022, appointed Ms. Naina Krishna

Murthy (DIN:01216114), as an Additional Director, designated as Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) consecutive years commencing with effect from April 07, 2022 till April 06, 2027.

Further, pursuant to the terms of the SSA and SPA, it was also agreed between the parties to the agreements that RNEL would nominate 2 (Two) Non-Executive Directors on the Board of the Company.

Pursuant to the nomination made by RNEL and based on the recommendations of the NRC, the Board at its meeting held on April 07, 2022, appointed Mr. Balanadu Narayan (DIN:00007129) and Mr. Saurabh Agarwal (DIN: 09206293) as Additional Directors, designated as Non-Executive Non-Independent Directors with effect from April 07, 2022, subject to the approval of the Shareholders.

The Company has sought the approval of the Shareholders via Postal Ballot for appointment of Mr. Cherag Balsara as Non-Executive Independent Director for a period of 5 (Five) consecutive years commencing with effect from March 29, 2022 to March 28, 2027, Ms. Naina Krishna Murthy as Non-Executive Independent Director for a period of 5 (Five) consecutive years commencing with effect from April 07, 2022 till April 06, 2027, Mr. Balanadu Narayan as Non-Executive Non-Independent Director and Mr. Saurabh Agarwal as Non-Executive Non-Independent Director of the Company. The Notice of Postal Ballot was sent to the Shareholders on May 26, 2022 and the resolutions approving the said appointments was passed by the Shareholders on June 26, 2022.

Retiring by rotation and continuing as Director

Pursuant to the provisions of Section 152(6) of the Act and the Articles of Association of the Company, Mr. Khurshed Daruvala (DIN:00216905), Chairman and Non-Executive Director, is liable to retire by rotation at the ensuing 5th Annual General Meeting ("5th AGM").

The Board recommends the re-appointment of Mr. Khurshed Daruvala as a Non-Executive Director of the Company for your approval.

In compliance with Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards - 2, the brief resume, expertise and other details of Mr. Khurshed Daruvala are given in the Notice convening the ensuing 5th AGM.

Declaration by Directors

The Company has received necessary declarations from the Independent Directors required under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, confirming that they meet the criteria of independence. There has been no change in the circumstances affecting their status as an Independent Director during the year.

The Independent Directors have also confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

Also, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, for attending the Board/ Committee meetings of the Company.

The details of sitting fees paid for attending the Board/ Committee meeting(s) during the Financial Year 2021-22 are as under:

Name of Director	Designation	Sitting fees paid during F.Y. 2021-22[1] (In ₹)
Mr. Khurshed Daruvala	Non-Executive Director	16,70,000
Mr. Arif Doctor	Independent Director	8,50,000
Mr. Bikesh Ogra[2]	Non-Executive Director	8,50,000
Mr. Keki Elavia	Independent Director	16,50,000
Mr. Pallon Mistry	Non-Executive Director	6,60,000
Ms. Rukhshana Mistry	Independent Director	15,95,000
Mr. Cherag Balsara[3]	Independent Director	Nil

Note(s):

(1) Gross amount (before deducting TDS).

(2) Mr. Bikesh Ogra ceased to be a Director of the Company effective from April 07, 2022.

(3) Mr. Cherag Balsara was appointed as an Independent Director in the Board meeting held on March 29, 2022. Sitting fees have been be paid to Mr. Balsara for the Board/ Committee meetings held after April 01, 2022.

Further, pursuant to Section 164(2) of the Act, all the Directors have provided declarations in Form DIR-8 that they have not been disqualified to act as a Director.

Key Managerial Personnel

Pursuant to the provisions of Section 2(51) and Section 203 of the Act read with the Rules framed thereunder, the following persons are Key Managerial Personnel of the Company as on March 31, 2022:

1. Mr. Chandra Kishore Thakur, Manager;
2. Mr. Bahadur Dastoor, Chief Financial Officer; and
3. Mr. Jagannadha Rao Ch. V., Company Secretary.

During the year under review, there were no changes in the Key Managerial Personnel of your Company.

The Members of the Company at their 3rd Annual General Meeting held on September 30, 2020, had by way of an Ordinary Resolution approved the appointment and remuneration of the Mr. Chandra Kishore Thakur, Manager of the Company for a term of 3 years (w.e.f. September 01, 2020) at a remuneration of ₹ 2.04 Crore payable for the F.Y. 2021-22.

At the time of his appointment, the Company had adequate profits and the remuneration proposed to be paid to Mr. Chandra Kishore Thakur was well within the limits approved by the members. However, during the financial year 2021-22, the Company faced certain unprecedented adverse circumstances and the Company had registered a loss of approx. ₹ 107 Crore calculated in terms of Section 198 of the Act.

As a result of the above, the aggregate remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the financial year 2021-22 exceeded the limits specified under Section 197 of the Act read with Schedule V thereto. An excess payment of ₹ 0.69 Crore has been made to Mr. Thakur for the financial Year 2021-22.

Pursuant to Section 197(10) of the Act, the Members of the Company could waive the recovery of excess remuneration by passing a special resolution.

Considering the valuable contribution made by Mr. Chandra Kishore Thakur to the Company, it is appropriate and justifiable to waive off the requirement of recovery of proportionate excess remuneration paid to him due to inadequate profits.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

The information as required to be disclosed as per the provisions of Part II Section II(b)(iv) of Schedule V of the Act is given in the **Annexure 2** to the Notice.

Familiarization Programme

In compliance with the requirements of the SEBI Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors. The programme aims to provide insights into the Company to enable the Independent Directors to understand the working of the Company, nature of the industry in which the Company operates, business model, major litigations, internal control and so on and to familiarize them with their roles, rights and responsibilities as Independent Directors. The details of familiarization programmes imparted to Independent Directors during the Financial Year 2021-22 are available at the Company's website and can be accessed at https://www.sterlingandwilsonre.com/pdf/familiarization-programme-for-independent-directors.pdf

Performance Evaluation of the Board, its Committees and Individual Directors

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance, its Committee(s), Independent Directors, Non-Executive Directors and the Chairman of the Board.

The NRC has laid down the manner in which the formal annual evaluation of the performance of the Board, its Committee(s) and individual Directors including the Chairman has to be made. The above criteria's are based on the Guidance Note on Board Evaluation issued by the SEBI on January 05, 2017.

In order to have a fair and unbiased view of all the Directors, the Company engaged the services of an external agency to facilitate the evaluation process. The Directors were provided with an electronic platform to record their views and a consolidated report was generated by the agency based on the views expressed by each of the Directors. The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Directors, succession planning, strategic planning, etc. Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/ recommendation to the Board, etc.

In a separate meeting of Independent Directors of the Company held on March 29, 2022, the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, considering the views of the Non-Executive Directors.

In the Board meeting held on March 29, 2022, that followed the meeting of the Independent Directors, the performance of the Board and its Committees was discussed. The Chairman of the Company interacted with each Director individually, for evaluation of performance of the individual Directors.

The Chairman and other members of the Board discussed upon the performance evaluation of every Director of the Company and concluded that they were satisfied with the overall performance of the Directors individually and that the Directors generally met their expectations of performance.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134 of the Act, the Board of Directors of the Company hereby confirm that:

1. in the preparation of the Annual Financial Statements for the Financial Year ended on March 31, 2022, the applicable Accounting Standards have been followed and no material departures have been made from the same;

2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the loss of the Company for the year ended on March 31, 2022;

3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. the annual accounts for the Financial Year ended on March 31, 2022 are prepared on a going concern basis;

5. they have laid down internal financial controls and the same have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and

6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Meetings of the Board of Directors

During the year under review, 9 (Nine) Board meetings were held. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this Annual Report.

All the information that is required to be made available to the Directors in terms of provisions of the Act and the SEBI Listing Regulations, so far as applicable to the Company, is made available to the Board.

Committees of the Board

The Company has constituted the following Committees:

1. Audit Committee;
2. Corporate Social Responsibility Committee;
3. Management Committee;
4. Nomination and Remuneration Committee;
5. Risk Management Committee; and
6. Stakeholders' Relationship Committee.

The composition of each of the above Committees, their respective roles and responsibilities are provided in detail in the Corporate Governance Report, which is a part of this Annual Report.

All the recommendations made by the various Committee(s) of the Board of Directors, during the year, were accepted by the Board of your Company.

In addition to the above Committees, a Committee of Independent Directors was constituted on October 19, 2021, to provide reasoned recommendations on the open offer of RNEL. The recommendation on the open offer was given by the Committee of Independent Directors on December 28, 2021 and the same was published in the format prescribed by SEBI on December 29, 2021. As the purpose of the Committee was met, the Board of Directors at its meeting held on February 14, 2022 dissolved the Committee.

Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

The Board has adopted a Nomination and Remuneration Policy in terms of the provisions of Section 178(3) of the Act and the SEBI Listing Regulations, dealing with appointment and remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel ("SMP"). The policy covers criteria for determining qualifications, positive attributes, independence and remuneration of its Directors, KMP and SMP. The said Policy is annexed to this Report as *Annexure B* and is also available on the website of the Company at https://www.sterlingandwilsonre.com/investor-relations/corporate-governance

Internal Financial Control Systems and their Adequacy

Internal Financial Controls are an integrated part of the risk management process, addressing financial risks and financial reporting risks. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

An extensive program of internal audits and management reviews, supplement the process of internal financial control framework. Documented policies, guidelines and procedures are in place for effective management of internal financial controls. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively considering the nature of our industry and are operating as intended.

The Audit Committee comprises of professionally qualified Directors, who interact with the Statutory Auditors, Internal Auditors and management in dealing with matters within its terms of reference. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this Annual Report.

Annual Return

In terms of the provisions of Section 92(3) and Section 134 (3)(a) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year 2020-21 in the prescribed Form No. MGT-7 is available on the Company's website at https://www.sterlingandwilsonre.com/investor-relations/financials

Business Responsibility Report

As stipulated under Regulation 34 of the SEBI Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective forms part of this Annual Report.

Corporate Governance

Your Company believes that an effective framework of Corporate Governance is the foundation for sustainable growth and long term shareholders' value creation. It is critical to ensure sound Corporate Governance for enhancing and retaining stakeholders' trust and your Company seeks to ensure that its performance goals are met accordingly. The efforts of your Company are focused on long term value creation to all its stakeholders including members, customers, partners, employees, lenders and the society at large. The Board reaffirms its continued commitment to good corporate governance practices.

The Report on Corporate Governance, as stipulated under the SEBI Listing Regulations forms part of this Annual Report. The Report on Corporate Governance also contains certain disclosures required under the Act.

During the year under review, the Company complied with the provisions relating to corporate governance as provided under the SEBI Listing Regulations.

A certificate from Manish Ghia & Associates, Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the SEBI Listing Regulations, is annexed to this Report.

Credit Rating

The Company has obtained credit rating for the facilities availed/ being availed by the Company. For the details on the same, please refer to the Corporate Governance Report, which is a part of this Annual Report.

Employee Stock Options Plan

The Shareholders of the Company by way of Special Resolution(s) via Postal Ballot on May 30, 2021 had approved the Sterling and Wilson Solar Limited - Employee Stock Option Plan ("SWSL ESOP Plan") and authorized the Board of Directors/ NRC to create, grant, offer, issue and allot at any time, to or for the benefit of certain present and future employees of the Company, including its branches and subsidiary companies, within and outside India, such number of Stock Options exercisable within the overall limit of 16,03,600 Equity Shares of ₹ 1/- each.

The NRC, *inter alia*, administers and monitors the SWSL ESOP Plan. The NRC at its meeting held on August 14, 2021 approved the grant of 13,01,213 out of total 16,03,600 Options to the eligible employees exercisable into not more than 13,01,213 equity shares of face value of ₹ 1/- each fully paid-up of the Company. The said options shall vest in 4 (four) equal annual instalments after (one) year from the date of grant. Further, no grantee has exercised any options till date since vesting.

The name of the Company was changed from Sterling and Wilson Solar Limited to Sterling and Wilson Renewable Energy Limited w.e.f. November 16, 2021. In view of the change in the name of the Company, the NRC approved the change in name of the scheme from "Sterling and Wilson Solar Limited - Employee Stock Option Plan" to "Sterling and Wilson Renewable Energy Limited - Employee Stock Option Plan" ("SWREL ESOP Plan") on March 29, 2022.

There has been no material change in the SWREL ESOP Plan during the Financial Year 2021-22 and the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations").

The disclosures as required under Regulation 14 of SBEB Regulations have been placed on the website of the Company and can be accessed at https://www.sterlingandwilsonre.com/pdf/agm/2022-23/ESOP-Disclosure-FY-2021-22-07-Sep-2022.pdf

A certificate from Manish Ghia & Associates, Secretarial Auditors of the Company certifying that the Plan has been implemented in accordance with SBEB Regulations pursuant to the resolution(s) passed by the Members will be available for inspection electronically at the 5th AGM.

Management Discussion and Analysis

As per Regulation 34 of the SEBI Listing Regulations, a separate section on Management Discussion and Analysis Report outlining the business of your Company forms a part of this Annual Report. It, *inter alia*, provides details about the Indian and Global economy, business performance review of the Company's various businesses and other material developments during the Financial Year 2021-22.

Auditors & Reports

Statutory Auditor

The Board at its Meeting held on August 14, 2021, on the recommendation of the Audit Committee and subject to the approval of the Shareholders in the 4th AGM had appointed M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (ICAI Firm Registration No. 104607W/ W100166) as Statutory Auditors of the Company to fill casual vacancy caused by resignation of M/s. B S R & Co. LLP, Chartered Accountants, former Statutory Auditors of the Company from August 15, 2021 until the conclusion of the 4th AGM and had further recommended their appointment for a period of 5 consecutive years from the conclusion of 4th AGM till the conclusion of 9th AGM.

The Shareholders at their 4th AGM held on September 30, 2021, approved the appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants as Statutory Auditors of the Company for a term of 5 (Five) consecutive years from the conclusion of 4th AGM till the conclusion of 9th AGM.

Pursuant to the SSA, RNEL has nominated M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/ W-100018) to be appointed as a Statutory Auditor of the Company, in addition to the existing Statutory Auditor of the Company.

The Board at their Meeting held on September 07, 2022, on the recommendation of the Audit Committee and subject to the approval of the Members in the ensuing 5th AGM have recommended the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/ W-100018) to be appointed as a Statutory Auditor for a period of 5 (Five) consecutive years from the conclusion of 5th AGM till the conclusion of 10th AGM, in addition to the existing Statutory Auditors of the Company.

Necessary resolutions and explanation thereto have been provided in the 5th AGM Notice seeking approval of the Members.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Manish Ghia & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith as *Annexure C* to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Branch Auditors

In terms of provisions of Section 143(8) of the Act read with Rule 12 of the Companies (Audit and Auditors) Rules, 2014, the audit of the accounts of the branch offices of the Company located outside India is required to be conducted by the person(s) or firm(s) qualified to act as Branch Auditors in accordance with laws of that country. The Board of Directors seek approval of the Members to authorise the Board of Directors/ Audit Committee to appoint Auditors for the branch offices of the Company and also to fix their remuneration. The Board of Directors recommends to the Members the resolution, as stated in Item No. 4 of the Notice convening the ensuing 5th AGM.

Reporting of Frauds by Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee under Section 143(12) of the Act any instances of fraud committed against your Company by its officers and employees, details of which would need to be mentioned in this Report.

Particulars of Contracts or Arrangement with Related Parties

All contracts/ arrangements/ transactions entered into by the Company during the financial year with its related parties were reviewed and approved by the Audit Committee from time to time and the details of the same are disclosed as part of the Financial Statements of the Company for the year under review, as per the applicable provisions of the Act.

All contracts/ arrangements/ transactions with related parties entered into during the financial year were at arm's length and in the ordinary course of business and in accordance with the provisions of the Act and the Rules made thereunder, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions. During the year under review, there were no transactions for which consent of the Board of Directors was required to be taken and accordingly, no disclosure is required in respect of the Related Party Transactions in the Form AOC-2 in terms of Section 134 of the Act and Rules framed thereunder.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at

Vigil Mechanism/ Whistle Blower Policy

Your Company promotes ethical behavior in all its business activities and your Company has adopted a Policy on Vigil Mechanism and Whistle Blower in terms of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations for receiving and redressing complaints from employees, directors and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud, violation of applicable laws and regulations.

Your Company's Whistle blower Policy encourages its Directors and Employees and also its Stakeholders to bring to your Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of your Company, or actual or suspected instances of leak of unpublished price sensitive information that could adversely impact your Company's operations, business performance and/or reputation. The Policy requires your Company to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is your Company's Policy to ensure that no complainant is victimised or harassed for bringing such incidents to the attention of your Company.

The whistleblowers have access to the Chairperson of the Audit Committee, whenever required.

The Policy is available on the Company's website at https://www.sterlingandwilsonre.com/pdf/whistle-blower-policy.pdf. During the year under review, no instance under Whistle Blower Policy was reported.

Code for Prevention of Insider Trading

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, ("PIT Regulations") as amended, the Company has formulated and adopted the Internal Code of Conduct to regulate, monitor and report trading by Insiders ("the Insider Trading Code"). The Insider Trading Code prohibits dealing in securities of the Company by the designated persons and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the trading window is closed.

The Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("the Code of Fair Disclosure") in line with the PIT Regulations and formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure. The Code of Fair Disclosure also includes policy for procedures of inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) and aims at preventing misuse of UPSI. The Code of Fair Disclosure is available on the Company's website at https://www.sterlingandwilsonre.com/investor-relations/corporate-governance

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the PIT Regulations.

Corporate Social Responsibility

A brief outline of the Corporate Social Responsibility ("CSR") policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in *Annexure D* of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this Report. The CSR policy is also available on the Company's website at https://www.sterlingandwilsonre.com/investor-relations/corporate-governance

During the year under review, out of the total budget of ₹ 4.01 Crore for the Financial Year 2021-22, an amount of ₹ 0.82 Crore was spent for the projects approved for the Financial Year 2021-22. Out of ₹ 0.82 Crore, ₹ 0.04 Crore has been spent towards completed projects. The balance amount of ₹ 3.19 Crore pertains to ongoing projects which has been transferred to the Unspent CSR account and shall be utilized as prescribed under the applicable laws.

Policy on Code of Business Ethics and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company places importance in the way its business is conducted and the way each employee performs his/ her duties. The Company encourages transparency in all its operations, responsibility for delivery of results, accountability for the outcomes of our actions, participation in ethical business practices and being responsive to the needs of our people and society. The Company has adopted the Sterling and Wilson Code on Business Ethics Policy ("Code") setting out the guiding fundamentals for the organization to conduct its business. The Code provides for the matters related to governance, compliance, ethics and other matters.

The Company has always believed in providing a safe and harassment free workplace for every individual working in any office through various interventions and practices. The Company endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

During the year under review, the ICC has not received any complaint.

Human Resources

The Company understands that people are its most valuable asset and recognizes talent as the primary source of competitive edge. Realizing the criticality of talent, the Company continues to focus on capability building through dedicated talent pipelines and competency upgradation through Behavioral, Technical, Functional, and Digital learning and development initiatives.

Despite unprecedented challenges posed by Covid-19 pandemic, the Company leveraged all channels of communication, reviewed and monitored crisis resolution, Health, Safety & Hygiene of employees, connected with employees and their family to align with the new normal.

The employee relations remained cordial throughout the year. The Board places on record its sincere appreciation for the valuable contribution made by the employees across all levels whose enthusiasm, team efforts, devotion and sense of belonging has always made the Company proud.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company consciously makes all efforts to conserve energy across its operations. In terms of the provisions of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules 2014, the report on conservation of energy, technology absorption, foreign exchange earnings and outgo forms part of this Report as *Annexure E*.

Particulars of Employees

Disclosure with respect to remuneration of Directors and employees as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("said Rules") forms part of this Report as *Annexure F*.

Details of employee remuneration as required under provisions of Section 197 of the Act and Rule 5(2) and 5(3) of the above said Rules shall be made available to the Members by writing to the Company at ir@sterlingwilson.com

Risk Management

Risk Management is an integral and important aspect of Corporate Governance. It ensures adequate controls and monitoring mechanisms for a smooth and efficient running of the business. The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Your Company has developed a risk management system commensurate with the size of the Company and the nature of its business. Your Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. Your Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Risk Management framework enables the management to understand the risk environment and assess the specific risks and potential exposure to the Company, determine how to deal best with these risks to manage overall potential exposure, monitor and seek assurance of the effectiveness of the management of these risks and intervene for improvement wherever necessary and report to the management on a periodic basis about how risks are being managed, monitored, assured and improvements are made.

Further details on the Risk Management activities including the implementation of risk management framework/ policy, key risks identified and their mitigations are covered in the Management Discussion and Analysis, which forms part of this Annual Report.

Details of utilization of funds raised through Preferential Issue

During the Financial Year 2021-22, the Company has on preferential basis allotted 2,93,33,333 (Two Crore Ninety

Three Lakh Thirty three Thousand Three Hundred and Thirty Three) equity shares of face value of ₹ 1/- (Rupee One only) each fully paid up, at a price of ₹ 375/- (Rupees Three Hundred and Seventy Five only) (including premium of ₹ 374/- each) per Equity Share for a consideration of ₹ 1,099,99,99,875/- (Rupees One Thousand Ninety Nine Crore Ninety Nine Lakh Ninety Nine Thousand Eight Hundred and Seventy Five only).

The Company has utilized the proceeds of preferential allotment for the purpose which was stipulated in the Offer Document/ Notice of Extra Ordinary General meeting i.e. to strengthen the balance sheet of the Company.

Secretarial Standards

The Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

General

The Directors state that no disclosures or reporting is required in respect of the following items, as the same is either not applicable to the Company or relevant transactions/events have not taken place during the year under review:

- No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and the Company's operations in future.
- There is no plan to revise the Financial Statements or Directors' Report in respect of any previous financial years.
- The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- The Company has not issued shares (including sweat equity shares) to employees under any scheme save and except Employees Stock Options schemes referred to in this report.
- No material changes and commitments have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of the report affecting the financial position of the Company.
- In the absence of any amounts required to be transferred to the Investor Education and Protection Fund (IEPF) under Section 125(1) and Section 125(2) of the Act, the Company was not required to transfer any such sum to the IEPF.
- Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act, is not required to be done by the Company. Accordingly, such accounts and records are not prepared nor maintained by the Company.
- There are no proceedings initiated/ pending against your Company under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.
- There was no deviation or variation in the use of proceeds of preferential allotment from the objects stated in the offer document/ explanatory statement to the notice for the general meeting and the actual utilization of fund.

Acknowledgement

The Directors take this opportunity to thank all the Customers, Partners, Bankers, Vendors, Suppliers, Sub-Contractors and Members and all other stakeholders for their valuable and continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's employees at all levels. Your Directors also appreciate and acknowledge the confidence reposed in them by the Members of the Company.

For & on behalf of the Board of
Sterling and Wilson Renewable Energy Limited

Khurshed Daruvala
Chairman & Non-Executive Director

Place: Mumbai
Date: September 07, 2022

Annexure A

Dividend Distribution Policy

1. Introduction:

a. In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), as amended, Sterling and Wilson Renewable Energy Limited (the **"Company"**) has decided to formulate its Dividend Distribution Policy (**"Policy"**). Accordingly, the Board of Directors of the Company (the **"Board"**) has approved this Policy for the Company at its meeting held on April 01, 2019 being effective from April 01, 2019.

b. The objective of this Policy is to provide the dividend distribution framework to the stakeholders of the Company. This Policy is aimed to lay down the circumstances, parameters, external and internal factors including financial parameters that shall be considered while declaring dividend and intends to assist investors and stakeholders for their investing decisions. The Board may in extraordinary circumstances, deviate from the parameters listed in this Policy.

c. The Board shall recommend dividend in compliance with this Policy, the provisions of Companies Act 2013 and rules framed thereunder, as amended, (**"Companies Act"**) and other applicable provisions.

2. Parameters to be considered while declaring Dividend:

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board will consider various financial parameters and internal and external factors, including but not limited to the following before making any recommendations for dividends;

a. Distributable surplus available as per the Act and Regulations.

b. Stability of earnings of the Company and subsidiaries/associate companies/other ventures.

c. Cash flow of the Company and subsidiaries/associate companies/other ventures from operations.

d. Future organic and inorganic growth plans and reinvestment opportunities (including investment requirements for the Company in its subsidiaries and associate companies) and other capital expenditure requirements of the Company and subsidiaries/other ventures.

e. Dividend policy followed by the investee companies, as a substantial portion of the Company's income is earned by way of dividend from its subsidiaries.

f. Industry outlook and stage of business cycle for underlying business.

g. Leverage profile.

h. Compliance with covenants contained in any agreement entered into by the Company with its lenders, customers or other parties, as applicable.

i. Funding and liquidity considerations and the requirement of funds to service any outstanding loans/facilities.

j. Macroeconomic and business conditions including the overall economic environment, changes in government policies, industry rulings & regulatory provisions on an Indian as well as global level.

k. Absorbing unfavourable market condition, meeting unforeseen contingent liabilities and other circumstances.

l. Cost of external financing.

m. Past dividend trends.

n. Buyback of shares or any such alternate profit distribution measure.

o. Prevailing taxation policy or any amendments expected thereof, with respect to dividend distribution.

p. Any other contingency plans.

q. Any other relevant factors that the Board may deem fit to consider before declaring dividend.

3. Parameters that shall be adopted with regard to various classes of shares:

The Company has issued only one class of shares viz. equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. Parameters for dividend payment in respect of any other class of shares, if issued, will be as per respective terms of issue in accordance with the Articles of Association of the Company and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

4. Circumstances under which the shareholders may or may not expect Dividend:

The Company shall not recommend dividend if it is of the opinion that it is financially not prudent to do so. The Company may declare dividends in future unless the Company is restrained due to insufficient profits or due to any of the internal or external factors listed above.

Further, though the Company endeavors to declare the dividend to the shareholders, the management may propose lower dividend or may propose not to recommend dividend after analysis of various financial parameters, cash flow position and funds required for future growth and capital expenditure or in case of a proposal to utilize surplus profit for buy-back of existing share capital.

The Board may in compliance with applicable law declare one or more interim dividends during a financial year and recommend such interim dividend for the confirmation of its shareholders at the subsequent annual general meeting.

5. Procedure for deciding quantum of dividend

a. The Chief Financial Officer ("CFO") after considering the parameters mentioned above and in consultation with the Managing Director ("MD")/ Chief Executive Officer/ Manager may propose the rate of final dividend to be recommended by the Board to Shareholders or the rate of interim dividend to be declared by the Board.

b. The Board upon perusing the rationale for such pay-out may recommend the final dividend or declare the interim dividend.

c. The final dividend recommended by the Board is subject to approval/declaration by the shareholders in the ensuing general meeting.

d. The interim dividend approved by the Board requires confirmation by the shareholders in the ensuing general meeting.

e. In case of inadequacy of profits in any financial year, the Board may consider recommendation of final dividend out of accumulated profits as may be permitted under the applicable laws and regulations from time to time.

6. General:

a. The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of dividend, after having due regard to the parameters laid down in this Policy and as per the provisions of Companies Act. Further, any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded while computing the profits for the purpose of declaration of dividend.

b. Subject to compliance with applicable law, the Company's retained earnings, if any will be used for the Company's growth plans, issuance of bonus shares capital adequacy/ liquidity requirements, debt repayments, and other contingencies and/ or for any of the purposes specified in paragraph 2 above.

c. If the Board decides to deviate from this Policy, the rationale for the same will be suitably disclosed.

7. Review/ Modification of the Policy:

The Board reserves the right to amend, modify or review this Policy along with the rationale for the same in whole or in part, at any point of time, as may be deemed necessary in accordance with the amendment of the Companies Act and the Regulations, and any other regulations, guidelines/clarifications as may be issued from time to time by relevant statutory and regulatory authority.

8. Disclosure:

The Company shall make appropriate disclosures as required under the Listing Regulations.

9. Disclaimer:

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's shares.

Annexure B

Nomination and Remuneration Policy

1. Introduction:

1.1 This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

1.2 This Policy is guided by the principles and objectives as enumerated in Section 178 (3) of the Companies Act, 2013 and the rules made thereunder, each as amended (the **"Act"**) and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Listing Regulations"**), to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The Board has constituted a nomination and remuneration committee (the **"NR Committee"**) which is in compliance with the requirements of the Companies Act, 2013

2. Objectives of the NR Committee:

2.1 The NR Committee shall:

i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees.

ii. Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.

iii. Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

iv. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

v. Devise a policy on diversity of Board of Directors; and

vi. 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.

vii. Ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

viii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

3. Effective Date:

3.1 The following policy has been formulated by the NR Committee and adopted by the Board of Directors at its meeting held on June 11, 2019.

3.2 This policy shall be operational with immediate effect.

4. Definitions:

4.1 **"Board"**:- Board means Board of Directors of the Company.

4.2 **"Director"**:- Director means Director of the Company appointed in accordance with the Companies Act, 2013.

4.3 **"NR Committee"**:- NR Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.

4.4 **"Company"**:- Company means Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited).

4.5 **"Independent Director"**:- As defined under the Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015 including any amendments thereto.

4.6 **"Key Managerial Personnel"**:- Key Managerial Personnel ('KMP') means-

(i) the Chief Executive Officer or the Managing Director or the Manager;

(ii) the Company Secretary;

(iii) the Whole-Time Director;

(iv) the Chief Financial Officer;

(v) 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

(vi) Such other officer as may be prescribed under the applicable statutory provisions / regulations.

4.7 **"Senior Management":-** The expression "senior management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. Applicability:

The Policy is applicable to -

a. Directors (Executive and Non-Executive)

b. Key Managerial Personnel

c. Senior Management Personnel

6. Constitution of the NRC Committee

6.1 The Board has the power to constitute/ re-constitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement. At present, the NR Committee comprises of following Directors:

Name of the Director	Category	Designation
Mr. Keki Elavia	Non- Executive and Independent Director	Chairman
Khurshed Yazdi Daruvala	Non-Executive Director	Member
Rukhshana Mistry	Non-Executive and Independent Director	Member

7. General Appointment Criteria:

7.1 The NR Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

7.2 The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.

7.3 The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, and any other enactment for the time being in force which is applicable to the Company.

8. Additional Criteria for Appointment of Independent Directors:

8.1 The NR Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of Section 149 of the Companies Act, 2013 (as amended from time to time).

9. Term/ Tenure:

i. Managing Director/ Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time or as may be prescribed under the Act. No re-appointment shall be made earlier than one year before the expiry of term.

ii. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

iii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the NR Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

iv. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

10. Removal:

10.1 Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the NR Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

11. Criteria for Evaluation of Independent Director and the Board:

11.1 Following are the Criteria for evaluation of performance of Independent Directors and the Board.

The Directors including Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they:

(a) act objectively and constructively while exercising their duties;

(b) exercise their responsibilities in a bona fide manner in the interest of the Company;

(c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;

(d) do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

(e) refrain from any action that would lead to loss of his independence;

(f) inform the Board immediately when they lose their independence;

(g) assist the company in implementing the best corporate governance practices;

(h) strive to attend all meetings of the Board of Directors and the Committees;

(i) participate constructively and actively in the committees of the Board in which they are members;

(j) strive to attend the Board, Committee and general meetings of the company;

(k) keep themselves well informed about the company and the external environment in which it operates;

(l) do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;

(m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest;

(n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

12. Board Diversity:

12.1 The Board of Directors may have the combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Legal, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. or as may be considered appropriate.

13. Remuneration:

13.1 The NR Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director and KMP to the Board for their approval.

13.2 The level and composition of remuneration so determined by the NR Committee shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be made clear and should meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

13.2.1 Managing Director/ Whole-time Director

a. The compensation paid to the Executive Directors (including Managing Director) will be within the scale approved by the shareholders. The elements of the total compensation, approved by the NR Committee will be within the overall limits specified under the Companies Act, 2013.

b. Besides the above criteria, the Remuneration/ compensation commission etc to be paid to Managing Director/ Whole-time Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

c. The remuneration payable by the Company to the Executive Directors shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

13.2.2 Non-Executive Directors

a. The Non- Executive Director may receive sitting fees for attending meetings of Board or NR Committee thereof. The remuneration/ commission/ compensation to the Non-Executive Directors will be determined by the NR Committee and recommended to the Board for its approval.

b. The remuneration payable by the Company to Non-Executive Directors shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

13.2.3 KMPs/Senior Management Personnel etc.

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

13.2.4 Directors' and Officers' Insurance

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel unless otherwise specifically provided under the Act.

14. Chairperson:

14.1 Chairperson of the NR Committee shall be an Independent Director.

14.2 Chairperson of the Company may be appointed as a member of the NR Committee but shall not be a Chairman of the NR Committee.

14.3 In the absence of the Chairperson, the members of the NR Committee present at the meeting shall choose one amongst them to act as Chairperson.

14.4 Chairman of the NR Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

15. Frequency of Meetings:

15.1 The meeting of the NR Committee shall be held at such regular intervals as may be required.

16. NR Committee Members Interest:

16.1 A member of the NR Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/ her performance is being evaluated.

16.2 The NR Committee may invite such executives, as it considers appropriate, to be present at the meetings of the NR Committee.

17. Secretary:

17.1 The Company Secretary of the Company shall act as Secretary of the NR Committee.

18. Voting:

18.1 Matters arising for determination at NR Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the NR Committee.

19. Adoption, Changes and Disclosure of Information:

19.1 This Policy and any changes thereof will be approved by the Board based on the recommendation(s) of the NR Committee.

19.2 This policy may be reviewed at such intervals as the Board or NR Committee may deem necessary.

19.3 Such disclosures of this Policy as may be required under the Act and SEBI Listing Regulations may be made.

20. Dissemination Policy:

20.1 A copy of this Policy shall be handed over to all Directors within one month from the date of approval by the Board. This Policy shall also be posted on the website of the Company and the details of this Policy, including the evaluation criteria, shall be mentioned in the annual report of the Company.

Annexure C

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Sterling and Wilson Renewable Energy Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sterling and Wilson Renewable Energy Limited** (formerly known as Sterling and Wilson Solar Limited) (L74999MH2017PLC292281) and having its registered office at 9th Floor, Universal Majestic, P.L. Lokhande Marg, Chembur West, Mumbai- 400 043 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

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

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

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

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

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

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

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

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

   (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (effective up to August 12, 2021); and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (effective from August 13, 2021);

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities Regulations, 2008 (applicable up to August 8, 2021); and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (applicable w.e.f August 9, 2021) (**Not applicable to the Company during the audit period**);

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the audit period**);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and

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

(vi) There are no laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI");

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

However, the remuneration paid to the Manager is in excess of the limit mentioned under section 197 read with Schedule V of the Act and the Company is seeking approval of the shareholders for waiver of recovery of the excess payment made to the Manager during the Financial year 2021-22.

We further report that

The Board of Directors of the Company is duly constituted with required number of Independent Directors; all directors on the Board are Non-executive. Further, the executive function/ substantial powers of management are entrusted with a Manager [as defined under Section 2(53) of the Act] duly appointed in terms of Section 203 of the Act. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. However, in the minutes of the meetings of Board and its Committees, for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the Directors present.

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

We further report that during the audit period:

1. The Shareholders of the Company through postal ballot, considered and approved the following on May 30, 2021:

   i. Sterling and Wilson Solar Limited Employee Stock Option Plan ("SWSL ESOP Plan")

   ii. Extending the benefits of the SWSL ESOP Plan to its employees, including the employees of branches/ subsidiary companies of the Company, within or outside India.

2. The Shareholders of the Company through postal ballot, considered and approved the alteration of Company's object clause of Memorandum of Association on August 29, 2021.

3. The Shareholders at an Extraordinary General Meeting held on November 02, 2021 approved the special resolution to create, offer, issue and allot Equity Shares on a private placement/ preferential basis to Reliance New Energy Limited ("RNEL") (formerly known as Reliance New Energy Solar Limited).

4. The Board of Directors of the Company had approved the allotment of 2,93,33,333 equity shares of the Company (15.46%) on preferential basis to RNEL and RNEL has become a promoter of the Company along with the existing promoter and promoter group, on the consummation of the Share Subscription Agreement entered into amongst the Company, RNEL, Shapoorji Pallonji and Company Private Limited and Mr. Khurshed Daruvala and in accordance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with effect from December 30, 2021. Also, pursuant to the open offer made by RNEL along with its PACs, 84,76,251 Equity Shares (4.47% of total paid-up equity share capital) were tendered by the public shareholders of the Company and accepted by RNEL.

Together with the Preferential Issue of 2,93,33,333 equity shares by the Company to RNEL on December 30, 2021, the sale of shares by existing promoters and the Equity Shares acquired by RNEL from the public shareholders in the Open Offer, RNEL holds 7,58,77,334 Equity Shares representing 40.00% of the total share capital of the Company as on date.

This report is to be read with our letter of even date which is annexed as '**Annexure-A**' and forms an integral part of this report.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: April 06, 2022
UDIN: F006252D000031631

‘Annexure A’

To,
The Members,
Sterling and Wilson Renewable Energy Limited
Mumbai

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of Management. Our examination was limited to the verification of procedures on the test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

7. On account restrictions imposed by the Government Authorities on opening of offices, travel and movement due to Covid19 pandemic during the year under review, we for the purpose of completion of our audit had to rely on documents and papers provided in electronic form through email/other virtual means for verification of compliances.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: April 06, 2022
UDIN: F006252D000031631

Annexure D

Annual Report on CSR Activities for the Financial Year 2021- 22

1. Brief outline on CSR Policy of Company :

CSR Vision: "Creating a Sustainable and Responsible business"

Sterling and Wilson Renewable Energy Limited ("SWREL" or "the Company") is committed to enriching people's lives. We take pride in being socially and environmentally responsible to our employees, stakeholders, vendors, and the world at large. Every precious resource utilized by us is accounted for and used optimally keeping in mind the greater good of society. For us, business is as much about integrating societal, economic, and environmental obligations as it is about creating value for our esteemed customers. In our own humble way, we strive to be the change we want to see.

CSR Objectives:

This Policy sets out the framework that would guide all CSR initiatives and activities undertaken by the Company. This Policy is framed in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the relevant rules made thereunder. Any project or program that is exclusively for the benefit of SWREL's employees would not be considered as CSR initiative, program, project or activity. The surplus arising out of the CSR projects, initiatives or programs or activities shall not form part of the business profit of SWREL.

The Policy is guided by SWREL's vision to create a sustainable and responsible business.

Scope & Focus Area:

The Company may carry out any one or more of the CSR activities, notified under the Section 135 of the Companies Act, 2013 read with Schedule VII, *inter alia* the following:

- **Improve Quality of Life:** Providing Safe Drinking Water, Sanitation, & Overall Health
- **Environmental Preservation:** Reducing Our Carbon Footprint, Increasing Green Cover, & Promote Bio-Diversity
- **Education and Skills Training:** Facilitating Underprivileged Children and Young Adults from Tribal Communities with Education and Skills Training
- **Inclusion:** Training and Earning Opportunity to Differently Challenged Youth, Alleviation of Poverty, Financial Inclusion For Migrant Labour Force

Further, the Company will review the sectors/ activities from time to time and make additions/ deletions/ modifications to the above sectors/ activities.

CSR Operational Framework:

CSR Committee

The Board of Directors of the Company has constituted a CSR Committee in accordance with the requirements of the Companies Act, 2013 and the Rules made thereunder. The details of the composition are available on the Company's website at www.sterlingandwilsonre.com.

This Committee will be responsible for the following:

(a) To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility partners and corporate social responsibility policy programmes;

(c) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(e) To review and monitor the implementation of the corporate social responsibility policy, corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(f) To formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR policy and have an oversight over its implementation;

(g) To review the impact assessment carried out for the projects of the Company, if applicable, as per the requirements of the law.

(h) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013.

CSR Governance:

Every year, the CSR Committee will place for the approval of the Board of Directors of the Company, an annual action plan giving the CSR Programmes to be carried out during the financial year, including the budgets thereof, their manner of execution, implementation schedules, modalities of utilisation of funds, and monitoring & reporting mechanism for the CSR Programmes. The Board will consider and approve the annual action plan with such modification that may be deemed necessary; the CSR Plan may also be modified by the Board, on the recommendation of the CSR Committee.

2. Composition of CSR Committee :

Sr. No.	Name of Director	Designation/ Nature of Directorship	No. of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Keki Elavia	Chairman of CSR Committee and Independent Director	4	4
2.	Mr. Khurshed Daruvala	Member of CSR Committee and Non-Executive Director	4	3
3.	Mr. Pallon Mistry	Member of CSR Committee and Non-Executive Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company : https://www.sterlingandwilsonre.com/investor-relations/reg-46-of-lodr

https://www.sterlingandwilsonre.com/investor-relations/corporate-governance

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) : N.A.

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-2021	N.A.	N.A.
2.	2019-2020	N.A.	N.A.
3.	2018-2019	N.A.	N.A.
Total			

6. Average net profit of the Company as per Section 135(5) : ₹ 200 Crore

7. (a) Two percent of average net profit of the Company as per Section 135(5) : ₹ 4.01 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil

	(c) Amount required to be set off for the financial year, if any	: Nil
	(d) Total CSR obligation for the financial year (7a+7b- 7c).	₹ 4.01 Crore
8.	(a) CSR amount spent or unspent for the financial year:	

Total Amount Spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
0.82	3.19	April 26, 2022		N.A.	

	(b) Details of CSR amount spent against ongoing projects for the financial year:	Please refer below mentioned table
	(c) Details of CSR amount spent against other than ongoing projects for the financial year	Please refer below mentioned table
	(d) Amount spent in Administrative Overheads	Nil
	(e) Amount spent on Impact Assessment, if applicable	Nil
	(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	₹ 0.82 Crore
	(g) Excess amount for set off, if any –	

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	4.01 Crore
(ii)	Total amount spent for the Financial Year	0.82 Crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9.	(a) Details of Unspent CSR amount for the preceding three financial years:	Please refer below mentioned table
	(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):	Please refer below mentioned table

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details)**	Not Applicable
	(a) Date of creation or acquisition of the capital asset(s)	Not Applicable
	(b) Amount of CSR spent for creation or acquisition of capital asset	
	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable
11.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5)	During the financial year 2021-22, the Company has spent ₹ 0.82 Crore on various CSR projects and transferred ₹ 3.19 Crore related to ongoing CSR projects to the Unspent CSR account pursuant to the provisions of the Companies Act, 2013.

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.
1.	TEJA- Phase 2- Adolescent Anemia Detection and Redcution Program	Clause (i) Promoting health care including preventive healthcare and sanitation	Yes	Maharashtra	Mumbai	15 months*	24,00,000	5,00,000	19,00,000	No	Niramaya Health Foudation	CSR00000186

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local Area (Yes/ No)**	**Location of the project**		**Project duration**	**Amount allocated for the project (in ₹)**	**Amount spent in the current financial Year (in ₹)**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**						**Name**	**CSR Registration No.**
2.	Bag making by diferently abled	Clause (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Maharashtra	Mumbai	18 months*	20,00,000	8,00,000	12,00,000	No	The National Asoociation of Disabled	CSR00004514
3.	Anando School Empowerment Programme (ASEP)	Clause (ii) Promoting education	No	Maharashtra	Karjat	36 months*	18,00,000	8,99,975	9,00,025	No	Light of Life Trust	CSR00000156
4.	Community development of village	Clause (x) Rural development projects	No	Maharashtra	Dhule	22 months*	30,00,000	10,00,000	20,00,000	Yes and through implementing Agency	Rugna Seva Mandal	CSR00012610
5.	Enhancing Access to Water for rural women and families through Awareness, Demonstration and Convergence. To promote Sustainable Agriculture and Convergence	Clause (iv) Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water, Clause (x) rural development projects	No	Maharashtra	Latur, Osmanabad	20 months*	30,00,000	10,00,000	20,00,000	No	Swayam Shikshan Prayog	CSR00002783
6.	Lighting up the village	Clause (x) Rural development projects	No	Maharashtra	Palghar	18 months*	40,00,000	12,50,000	27,50,000	No	Rotary Club of Bombay	CSR00004479
7.	KARO Home – Accommodation for Outstation Female Cancer Patients Seeking Treatment in Mumbai	Clause (i) Promoting health care including preventive health care and sanitation	Yes	Maharashtra	Mumbai	16 months*	25,00,000	15,00,000	10,00,000	No	Karo Trust	CSR00008234
8.	Construction of Toilets blocks for Adivasi belt and rural schools	Clause (i) Promoting health care including preventive health care and sanitation	No	Maharashtra	Nashik	30 months*	40,00,000	10,000	39,90,000	No	Shree Shankara Hindu Mission	CSR00001623
9.	Smart Class	Clause (ii) Promoting education	Yes	Maharashtra	Mumbai	18 months*	20,00,000	10,000	19,90,000	No	Shree Shankara Hindu Mission	CSR00001623
10.	Rural Area Project	Clause (x) Rural development projects	No	Maharashtra	Nashik	26 months*	20,00,000	10,000	19,90,000	No	Shree Shankara Hindu Mission	CSR00001623
11.	Dialysis Machine	Clause (i) Promoting health care including preventive health care and sanitation	Yes	Maharashtra	Mumbai	15 months*	13,00,000	10,000	12,90,000	No	Shree Shankara Hindu Mission	CSR00001623
12.	Menstrual Hygiene machines	Clause (i) Promoting health care including preventive health care and sanitation	No	Maharashtra	Nashik	22 months*	10,00,000	10,000	9,90,000	No	Shree Shankara Hindu Mission	CSR00001623
13.	Solar Panels	Clause (iv) Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water	No	Karnataka	Ballari	13 months*	5,00,000	4,90,000	10,000	Yes	-	-

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local Area (Yes/ No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.
14.	Shree Shankara Hindu Mission - Ayuraksha (Medical)	Clause (i) Promoting health care including preventive health care and sanitation	No	Maharashtra, West Bengal	Mumbai, Raigad, Ratnagiri, Kolkata	36 months*	28,27,706	5,000	28,22,706	No	Shree Shankara Hindu Mission	CSR00001623
15.	Shree Shankara Hindu Mission - Upajivan (Covid Sustenance)	Clause (i) Promoting health care including preventive health care and sanitation	No	Maharashtra, West Bengal, New Delhi, Karnataka, Tamil Nadu	Mumbai, Chennai, Kolkata, Noida, Bengaluru	36 months*	25,00,000	5,000	24,95,000	No	Shree Shankara Hindu Mission	CSR00001623
16.	Development of Anganwadi	Clause (ii) Promoting education	No	Maharashtra	Nashik	15 months*	18,00,000	1,00,000	17,00,000	Yes	-	-
17.	Solar Panels	Clause (iv) Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water	No	Maharashtra	Pune, Mumbai	15 months*	16,00,000	5,000	15,95,000	No	Queen Mary's Technical Institute & Shushrut	CSR00004200 CSR00003265
18.	Girls school renovation	Clause (ii) Promoting education	No	Rajasthan	Hindagol	16 months*	14,72,294	2,00,000	12,72,294	Yes	-	-

**The duration mentioned includes the financial year 2021-22 in which the project has commenced.*

8(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency
				State	District			Name & CSR Registration No.
1.	Happiness Kit	Clause (i) Promoting health care	No	Daman Diu	Silvassa	1,00,000	No	Akshay Patra CSR00000286
2.	Education for Rural children	Clause (ii) Promoting education	No	Karnataka	Bandipur	3,00,000	No	Kshiti Foundation CSR00005793

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-2021	4,55,06,409	3,02,28,557	N.A			1,52,77,852

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

(1) Sr. No.	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount Allocated for the Project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed / Ongoing
1.	**Education and Skill Development:** 1. Improve the infrastructure facilities at various schools 2. Contribution to ensure the quality of education and improve other facilities at the local schools.	2020-2021	24 months	70,37,370	51,62,370	70,37,370	Completed

(1)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount Allocated for the Project (in ₹)**	**Amount spent on the project in the reporting Financial Year (in ₹)**	**Cumulative amount spent at the end of reporting Financial Year (in ₹)**	**Status of the project - Completed / Ongoing**
	3. Providing emotional well-being of the society by spreading awareness and education. 4. Educational support to disabled students 5. Providing Mini Science Center to make science fun by 80 (3D) models of important concepts						
2.	**Health & Sanitation:** 1. Providing medical aid to poor and needy. 2. Construction of toilets for school students & teachers. 3. Promoting health & sanitation of school/college going girls by providing them Sanitary Napkins & incinerator machine to dispose used napkins.	2020-21	24 months	2,02,70,411	85,69,243	1,02,08,615	Ongoing
3.	**Disaster Management:** 1. Provide support towards COVID-19 rehabilitation/ COVID care facilities 2. Provide assistance in setting up oxygen generation plant. 3. Providing support to persons affected by COVID-19 under Upjevan scheme.	2020-21	24 months	1,57,12,700	90,68,365	1,22,81,065	Ongoing
4.	**Environment Sustainabilty & Community Development:** 1. Installation of Solar Panels and Solar Rooftops 2. Construction of Multipurpose shed at Govt Pre-Primary School 3. Community water harvesting run by women in drought prone regions. 4. Construction of 25 farm ponds in the targeted villages. 5. Lift irrigation scheme and drinking water lift scheme to eliminate water scarcity.	2020-21	24 months	96,42,000	61,78,579	80,17,579	Ongoing
5.	**Rural Development:** 1. Provide Housing and sanitation to Farm Widows of Amaravati District 2. Providing CCTV Surveillance - Village area	2020-21	24 months	26,60,000	12,50,000	25,00,000	Ongoing
	Total			**5,53,22,481**	**3,02,28,557**	**4,00,44,629**	

Place: Mumbai
Date: April 07, 2022

Khurshed Daruvala
Chairman and Non-Executive Director

Keki Elavia
Chairman CSR Committee

Annexure E

Report on Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo for the Financial Year 2021-22

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy:

- **Prefabricated system components:** The system components of utility scale projects and roof top systems division job is prefabricated, and hence only mechanical assembly and electrical terminations are required. This leads to minimization of usage of power tools at sites and thereby minimizes usage of energy. Usage of Diesel Generator (DG) sets at construction site is eliminated, this eliminates the sound, air pollution along with conservation of fuel.

- **LED Design:** All solar plant lighting design is based on LED (which typically uses approx. 25-80% lesser energy and lasts approx. 3-25 times longer) either during construction or Operation & Maintenance (O&M) stages.

- **Water Treatment Plant:** On site, we are treating the sewage water and using it for dust control purposes.

(ii) The steps taken by the company for utilizing alternate sources of energy:

- **Solar powered inverters:** The electrification of our construction site office setup, site stores and Labour colony are done using Solar powered Inverters (capacity around 12 kW). This is an ongoing effort in all construction sites, due to which the fuel consumption and dependence on Diesel Generator (DG) is reduced drastically, leaving DG only as a back-up source.

- **Semi/ fully Automatic Robots:** Usage of semi/ fully automatic robots for PV module cleaning. The semi/ fully automatic robot functions using battery which is charged by the electricity generated from solar plant. By using semi/ fully automatic robot, the Company has reduced the water consumption by 50% of actual consumption compared to other alternatives such as mounted water tank/ module cleaning pipelines etc. Robot cleaning will also reduce the consumption of water and electricity.

- **Solar lighting for auxiliary work:** Solar Lighting system is used for auxiliary consumption of Solar plants during the night.

(iii) The capital investment on energy conservation equipment:

In renewable energy exhibition, we have introduced mobile testing lab for the PV module testing with all latest equipment that are calibrated according to the latest standards. Using this facility, the PV modules can be tested for their performance at construction sites itself rather than taking the modules too far away. We thereby increase efficiency of testing cycles and conserve lot of energy which may get spent on logistics, coordination and transportation.

(B) Technology Absorption

(i) The efforts made towards technology absorption:

The following key components and their implementation efforts in various projects are highlighted below:

- **Implementation of the robot module cleaning system**

  Solar plants are often installed at sites that have water scarcity & are generally dusty such as barren land, deserts etc. In such cases, cleaning of modules becomes very difficult thereby hampering the plant performance. Implementation of robots (dry cleaning) have helped cleaning of the modules at such kind of sites. Moreover, it reduces the manpower efforts in cleaning of larger scale power plants.

- **Wind tunnel study**

  Module mounting structure (MMS) is designed by following suitable IS/ IEC /AS / UL codes without considering the factor of wind shadowing. With the help of wind tunnel study, the concept of wind shadowing effect is practically adopted, i.e., by segregating MMS into boundary and inner structures, which results in overall optimization of MMS.

- **Tracker system**
  The Solar Tracker is a device that orients the solar panels based on the movement of the Sun. In Solar power plants, trackers are used to maximize the utilization of Direct Horizontal Irradiation by minimizing the angle of incident light on the Solar Modules.

  This eventually increases the amount of energy produced, from a fixed amount of installed generating capacity as compared to that of fixed tilt with the same installed capacity. We use various trackers according to the project specific needs.

- **Bifacial Modules**
  The technology of bifacial modules has PV cells installed on both the sides of the Module. This technology is basically used at sites with higher ground reflection coefficient (Albedo)/ diffused irradiation. For example, sand, water, snow etc. have tendency to reflect maximum incident light rays and the same can be utilized to generate power. We have successfully executed projects using Bifacial modules.

- **Wireless string combiner boxes**
  The wireless combiner box technology has replaced the conventional type that used multiple communication and power cables running from each combiner box to respective inverter station. With wireless technology, the combiner box data or health status is monitored remotely. We have implemented projects using this technology, thereby providing savings on copper cables and civil works related to the same.

- **Floating system**
  Floating solar plants are installed on the water bodies like ponds, reservoirs, back waters etc. The reason for higher performance of floating power plants as compared to ground mounted plants, are minimal shading losses, cooler ambient temperature and negligible soiling loss. Moreover, it has other environmental, economic and social benefits such as minimal water evaporation, utilization of unused spaces into profitable areas and preserving valuable land. We have started implementing floating solar projects on a small scale.

- **RFID based Asset Tracking and Management**
  The PV panels are considerably high value in nature, and they form the core value of the assets of a utility scale PV plant.

  By using embedded Radio Frequency Identification (RFID) chips of each module and tracking it to the location where it is installed, we provide asset visibility to the last mile. It simplifies the process of managing the assets. Also, latest Robotic Process Automation (RPA) based programs and GPS technology are used in implementing the system, thereby ensuring quality installation and accurate tracking of Asset performance. Its application is specific to user country guidelines.

- **Intelligent camera for monitoring of construction works**
  Intelligent camera uses software programs to analyse the images and activities in order to recognize humans, vehicles, objects and events. Implementing the same at sites widely help in monitoring of activities during construction and provide alerts in case of any mis-happenings, as a part of surveillance system.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- A reliable method/ protocol developed for "Soling Measurement" for a tracker-based system.

- An improved understanding of various string connection layout on multi-plane system (2P or more) benchmarked and implemented.

- Usage of 1500V Modules of Higher wattage up to 500Wp+ coupled with bifacial technology have helped lower the Balance of Systems (BOS) cost thereby providing an edge in acquisition of orders. This will reduce the land requirements, other BOS system and thus indirectly conserve energy.

- Invertor station concept (purpose built) in many projects has been helping in achieving improved efficiencies in project execution.

- 8 MVA 3 winding transformers utilized to optimize BOS efficiency.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Recognized Soft Tools are absorbed in design and engineering for unique, accurate and specific solution. As every bid and project is unique in nature, the solution is also tailor made based on output of these tools. It provides a consistent edge to the Company in competitive market for providing optimal solutions.

(a) the details of technology imported: We are using software for detail design and engineering, simulations and arriving at more accurate solutions. Software can be downloaded from service provider websites or via dedicated weblinks . Presently we are using Pvsyst , PVcase, Helios, Stadd, PSSE, RSG, Skelion , L-pile , ETAP, Sketch etc.

(b) the year of import: Every year we are renewing the software based on annual subscription charge applicable with service providers.

(c) whether the technology been fully absorbed; Yes

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not Applicable

(iv) the expenditure incurred on Research and Development: Nil

(C) Foreign Exchange Earnings and Outgo:

(i) Foreign exchange earnings for the year under review: ₹ 845.99 Crore

(ii) Foreign exchange outgo for the year under review: ₹ 654.16 Crore.

Annexure F

Information required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year[1]	Mr. Khurshed Daruvala	2.52
	Mr. Arif Doctor	1.29
	Mr. Bikesh Ogra	1.29
	Mr. Keki Elavia	2.51
	Mr. Pallon Mistry	1.00
	Ms. Rukhshana Mistry	2.42
The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year [2]	Mr. Khurshed Daruvala	98.80
	Mr. Arif Doctor	100.00
	Mr. Bikesh Ogra	142.86
	Mr. Keki Elavia	100.00
	Mr. Pallon Mistry	29.41
	Ms. Rukhshana Mistry	103.18
	Mr. Chandra Kishor Thakur	88.89
	Mr. Bahadur Dastoor	36.45
	Mr. Jagannadha Rao Ch. V.	32.23
The percentage increase in the median remuneration of employees in the financial year		4.55
The number of permanent employees on the rolls of Company		1,067 as on March 31, 2022
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 9.94%, whereas the increase in the managerial remuneration for the same financial year was 10%. Managerial personnel includes Manager. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per the market trend.	
Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby confirmed that the remuneration paid to the employees is as per the remuneration policy of the Company	

Note(s):

(1) No sitting fees were paid to the Non-Executive Directors and Independent Directors of the Company for attending the Board and/or Committee meeting(s) held during the period April 01, 2021 till September 30, 2020 due to the impact of Covid-19 pandemic.

(2) Due to the impact of Covid-19 pandemic, the Management had imposed salary cut on the remuneration payable to certain employees of the Company, including the Manager, Chief Financial Officer and the Company Secretary for the period April 01, 2020 till September 30, 2020. Accordingly, the percentage increase in the remuneration of the Manager, Chief Financial Officer and the Company Secretary is appearing high and is not strictly comparable with the previous year's remuneration.

Certificate on Corporate Governance

(Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Sterling and Wilson Renewable Energy Limited
Mumbai.

We have examined the compliance of conditions of Corporate Governance by **Sterling and Wilson Renewable Energy Limited**, (formerly known as Sterling and Wilson Solar Limited) for the year ended on March 31, 2022 as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: April 07, 2022
UDIN: F006252D000031629

Management Discussion and Analysis

Economic Review

Global Economy

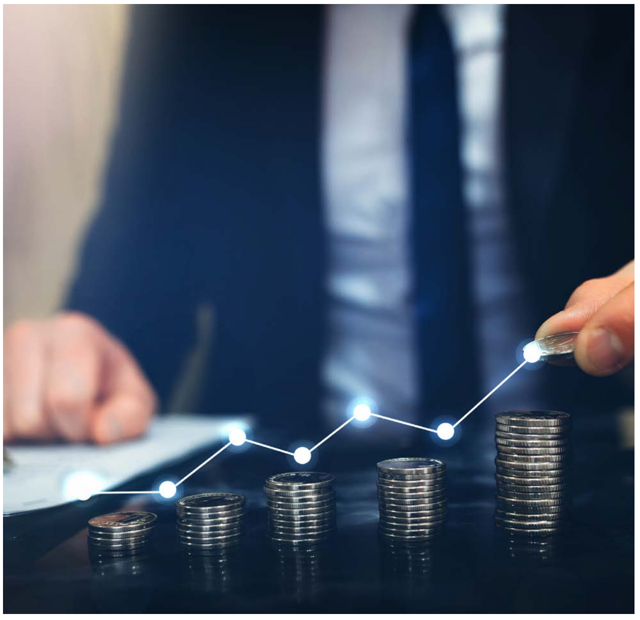
Consumer demand in 2021 remained weak due to the continued challenges posed by the pandemic causing supply chain disruptions. Though vaccination programs were rapid and effective in most advanced economies, in many emerging markets and developing economies, vaccinations were sluggish. The shift toward goods consumption, particularly in advanced economies, overloaded global supply chain network. Pandemic-related obstructions to transportation and staffing, just-in-time logistics and lean inventory management compounded the supply chain issues leading to shortages and inflationary pressure across the globe.

While the global economy was on a mending path at the start of 2022, the Russia-Ukraine conflict, and frequent and wider-ranging lockdowns in China, including in key manufacturing hubs, have dampened economic activity globally and could cause new bottlenecks in global supply chains. Higher, broader, and more persistent price pressures also led to a tightening of monetary policy in many countries. Overall risks to economic prospects have risen sharply and policy trade-offs have become ever more challenging.

Outlook

Global growth is estimated at 3.6% in 2022 and 2023. Beyond 2023, global growth is forecast to decline to about 3.3% over the medium term. Led by geopolitical conflict, commodity price pressure is expected to persist. For 2022, inflation is projected at 5.7% in advanced economies and 8.7% in emerging market and developing economies. A gradual resolution of supply-demand imbalances and a modest pickup in labour supply will ease price inflation eventually. However, uncertainty prevails. Central banks will then be forced to raise interest rates and expose debt vulnerabilities, particularly in emerging markets. Multilateralism, the importance of the transfer of climate finance and low-cost technologies from developed to developing countries have become more critical, as the world is undergoing a phase of exceptional uncertainty.

Source: IMF - World Economic Outlook, April 2022



Indian Economy

India is set to remain the fastest growing economy in the world in FY 2021-22 as the country marches on a high-growth trajectory. With 65% of the economy locked down, GDP declined by 9.2% in FY 2020-21, according to first advanced estimates by National Statistics Office (NSO). The recovery in GDP growth rate expected in FY 2021-22, was based on robust growth in services, agriculture, manufacturing, mining, construction and energy. The impact of third COVID-19 wave and high inflationary pressure caused by the prolonged Russia-Ukraine conflict in the last quarter of FY2022, put economic recovery on the backburner.

In FY 2021-22, the manufacturing sector is expected to grow at 12.5% against contraction of 7.2% in FY 2020-21. Significant growth is expected in 'mining and quarrying' at 14.3%, and 'trade, hotels, transport, communication and services related to broadcasting' at 11.9%. The agriculture sector growth is estimated at 3.9%, higher than 3.6% recorded in the previous financial year. For sustained focus on infrastructure development roadmap, the government sought continued support from the World Bank for financing the National Infrastructure Pipeline and the PM Gati Shakti programme.

According to IMF, the Indian GDP growth is expected at 8.2% and 6.9% in FY 2021-22 and FY 2022-23 remaining the fastest growing economy in the world, almost twice faster than China's 4.4% growth. The growth projections are primarily based on lower base effect, successful vaccination drive across the country, offtake of government programmes spurring investments and activity, and strong fiscal, monetary and budgetary interventions by the Government.

Industry Overview

Global Energy Review

According to International Energy Agency's (IEA) Electricity Market Report, global electricity demand saw a rebound in 2021 growing at 6% after a small drop in 2020. The 2021 growth was the largest ever annual increase in absolute terms (at over 1,500 TWh) and the largest relative rise since recovery from the financial crisis in 2010. In 2022, electricity demand is projected to be 3% Y-o-Y, similar to the average growth rate of 10 years preceding the COVID-19 pandemic. Demand growth is expected to be driven by continued economic recovery with rebound effects due to health protection measures. Demand is also driven by the expected easing of the energy crisis, which resulted in supply shortages and prohibitively high energy prices in the fourth quarter of 2021. Post 2022, energy demand is expected to slow down as rebound effects run out and energy efficiency measures start showing effects.

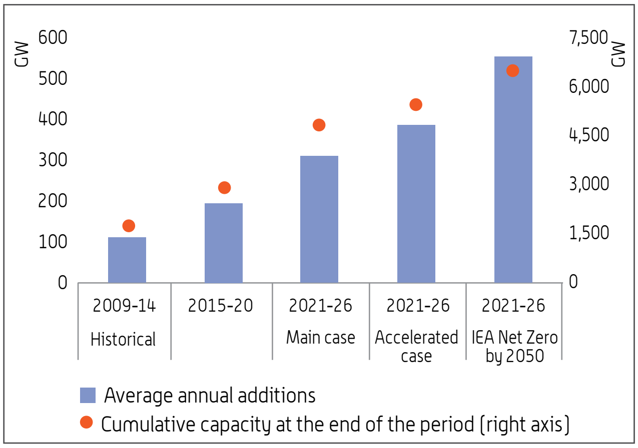
Global Renewable Energy Industry

As per The Economist Intelligence Unit's (EIU) 'Energy in 2022' report, all parts of the energy sector including coal (which was on a slide prior to the pandemic) are expected to witness rising consumption in 2022. Coal consumption will increase by 1.5%, almost as fast as natural gas (which could be subdued due to supply problems in the first half of 2022). Oil consumption is expected to rise by 2.7%. Solar and wind power will increase by 10.6%, with the sole exception of nuclear energy where consumption is expected to fall by 0.8%.

Renewable energy sources are gaining increasing popularity in the past few years. Along with demand, renewables capacity installations are also keeping pace. Year 2021 witnessed commissioning of ~290 gigawatts (GW) of new capacity additions, which is 3% higher than 2020's already exceptional growth. The record high addition of renewable power capacity in 2021 was driven by solar photovoltaic (PV). As in 2021, solar constituted approximately 47% of total renewable energy production, followed by wind contributing 38%, bio power 10% and small hydro 5%. Despite surging commodity prices and increasing manufacturing costs for solar PV, 10GW of new solar capacity was added in India in 2021, a 210% increase compared to 3.2 GW installed in 2020.

The growth of renewable capacity addition is forecast to accelerate in the next five years, accounting for almost 95% of the increase in global power capacity by 2026. According to IEA's Renewables 2021 report, globally, renewable energy capacity is forecasted to increase by over 60% between 2020 and 2026, reaching more than 4,800 GW. This is equivalent to the current global power capacity of fossil fuels and nuclear combined.

Average annual renewable capacity additions and cumulative installed capacity, historical, forecasts and IEA Net Zero Scenario, 2009-2026



Source: IEA (2021a), Net Zero by 2050

The current record commodity prices that have increased the costs of building new wind and solar PV installations have proven to slow down growth. While new capacity is set to come online, it is expected that high prices may continue through at least the first half of 2022. According to a report by Rystad Energy the module prices increased from US$0.21/Wp in 2020 up to US$0.33/Wp in 2021 led by a steep surge in commodity prices across the board. Some of the key raw materials include polysilicon, silver, copper, aluminium, and glass, all of which experienced surge in prices. The raw feedstock for crystalline silicon ingots and wafers increased by 175% in the first six months of 2021 alone. However, the impact of volatile commodity and transport prices on demand are expected to be limited, as high fossil fuel prices improve the competitiveness of wind and solar PV further.

Stronger policy support in over 130 countries, ambitious net zero goals announced by nations at COP26 accounting for almost 90% of global GDP and improving competitiveness of wind and solar PV is likely to aid renewable capacity growth. China is expected to lead the global renewable capacity growth over the next five years, accounting for ~43% of global renewable capacity growth, followed by Europe, the United States and India. These four markets alone are expected to account for 80% of renewable capacity addition worldwide.

Global Renewable Energy Targets

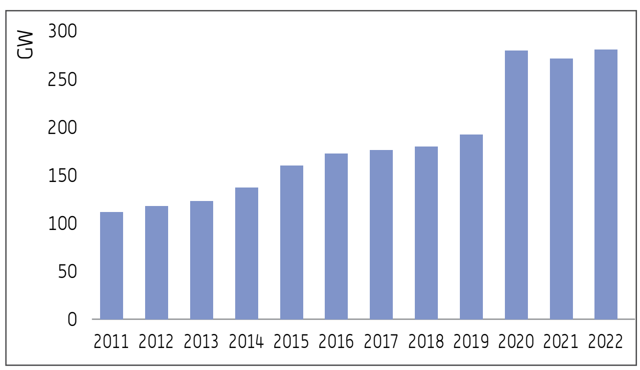
Globally, countries are working to reach net zero emissions by 2050 and to stay within the global mean temperature increase of 1.5°C. In order to achieve this aim, it is imperative that by 2030, emissions are reduced by about 45% from the 2010 levels. Decarbonising the energy sector, which contributes almost three quarters of global GHG emissions plays a crucial role in delivering global climate goals. A key

Decarbonising the energy sector, which contributes almost three quarters of global GHG emissions plays a crucial role in delivering global climate goals.

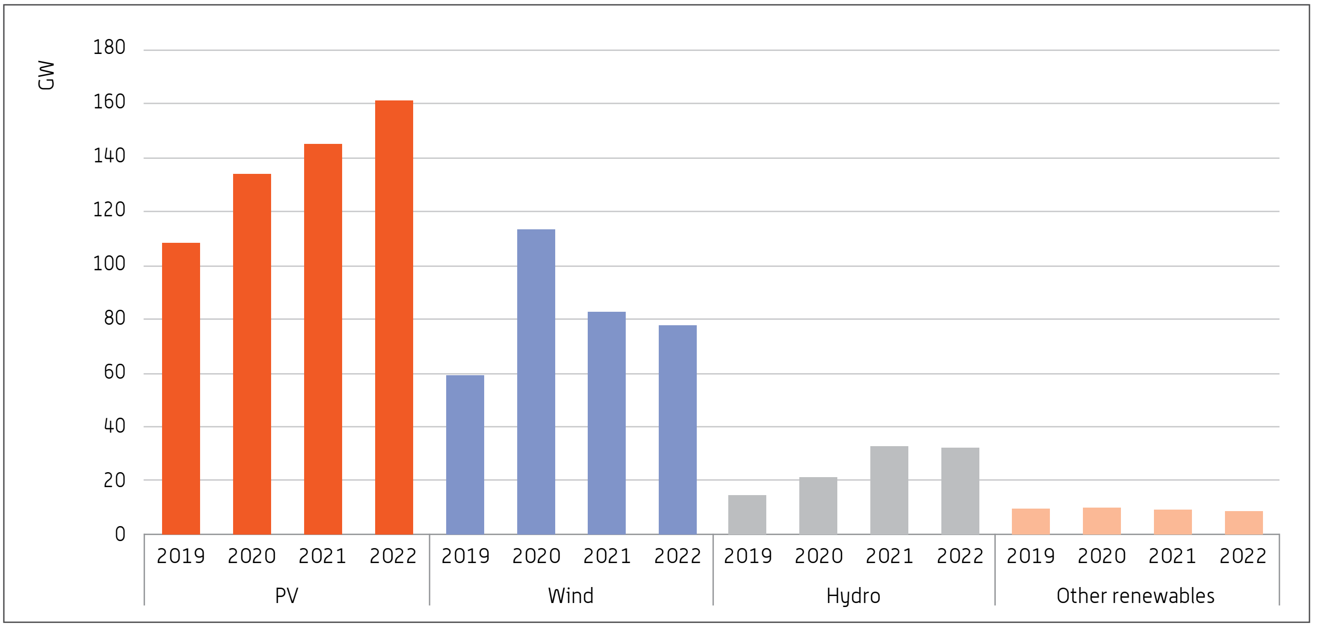
feature of the Glasgow Climate Pact made at the COP26 states that governments, financial institutions, and private sector entities must broaden ambition commensurate to the scale of the climate threat, followed by real, short-term, accelerated implementation. According to new and updated NDCs, current and announced net zero pledges are projected to reduce emissions by 2030 limiting warming to 2.1°C, avoiding a more catastrophic rise of above 2.8°C under the initial NDCs. India, the third largest emitter in terms of net emissions but having the lowest per capita emission among the major economies of the world, has exhibited strong intent at COP26 announcing 'five elixirs' as its climate goals towards limiting the rising temperatures.

China's commitment to net zero by 2060 has led to new targets, such as 40% of all electricity consumed to be from non-fossil generation by 2030 and capacity target of 1,200 GW wind and solar PV by the same year. In Europe, renewables growth is attributable to larger auction volumes in most EU member countries to accelerate deployment towards 2030 renewable energy targets, a growing market for corporate power purchase agreements (PPAs) and the increasing attractiveness of self-consumption for distributed PV. In the United States, favourable wind and solar PV economics, continuation of federal tax credits, growing corporate PPA market and increasing federal and state-level support will drive higher capacity additions.

Net Renewable Capacity Additions, 2011-2022



Net renewable capacity additions by technology, 2020-2022



Renewable electricity generation is forecast to increase by 6% to ~7,900 TWh in 2021, slightly higher than the average annual growth rate observed during 2015-2020. Conversely, the expansion rate of cumulative capacity in 2021 is faster over the same period. This decoupling is mainly due to weather conditions in key markets affecting wind and hydropower generation. Without these conditions, renewable electricity generation would be up by almost 9% in 2021.

Source: International Energy Agency: Renewable 2021 and Electricity Market report, EIU: Energy in 2022

Increasing Significance of Renewable Energy

To achieve long-term net zero goals, countries need to make substantial progress over time in advancing energy transition technologies such as renewable energy and energy efficiency. The direct use of renewables for heating and cooling (bioenergy, solar thermal or geothermal energy) and transport (bioenergy) plays a considerable role in the energy transition. Electrification contributes to lowering energy demand because many electric technologies are significantly more efficient than their fossil fuel counterparts. Since electricity remains crucial for energy consumption, energy additions must be done through clean energy sources.

Clean technologies in the power sector and across a range of end-uses are being preferred not only due to policy support but also because they are more cost-effective. In many regions, solar PV or wind already represents the cheapest available source of new electricity generation. Clean energy technologies, such as advanced batteries, hydrogen electrolysers, advanced biofuels, and new technologies for the capture and use of CO2, including direct air capture, are vital to decarbonise heavy industries and long-distance transport.

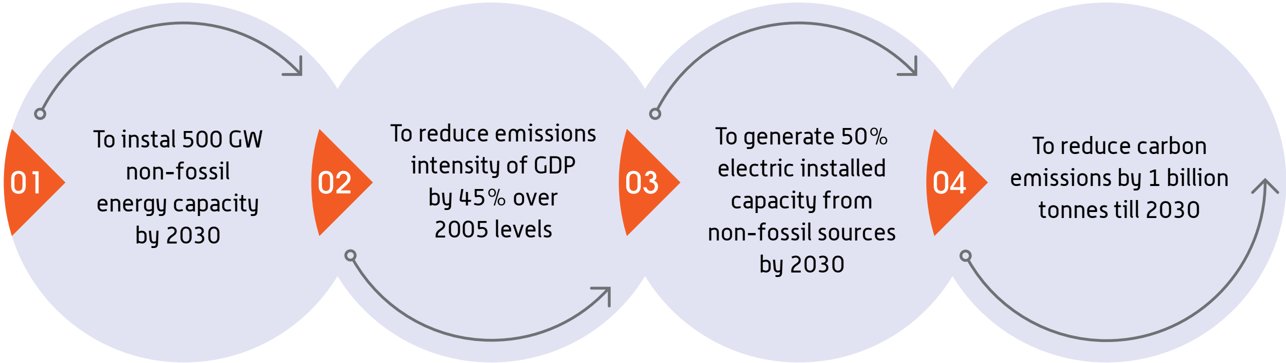
Indian Renewable Energy Industry

Rapid urbanisation has fuelled power requirements which led to a spurt in demand for renewable energy with gradual exhaustion of conventional electricity generation methods such as thermal power. The Indian renewable energy market is expected to grow more than 10% CAGR during 2022-2027. The share of renewable energy in electricity generation is expected to increase to 67% by 2047 from 22% now, indicating renewable sources to swap positions with coal which is dominating energy generation at present. Key goals for 2047 by the Ministry of New and Renewable Energy (MNRE) include energy independence and security, increasing decarbonisation of the energy sector, self-sufficiency in equipment manufacturing and becoming a global hub for green hydrogen. Out of the projected total energy capacity addition of 1,325 GW by 2047, around 1,125 GW is targeted to be based on renewable energy, 140 GW on coal, 10 GW on gas and 50 GW on nuclear power.

The Indian renewable energy market ranked fourth in wind and fifth in solar power installed capacity in FY 2019-20. During the COVID-19 pandemic, renewable energy sector was hit by multiple demand and supply shocks. In FY 2020-21, demand from commercial and industrial (C&I) consumers declined by ~18%, while that from residential consumers increased

by 5-7%. The government introduced various policy measures including tenders, power project construction, and expansion plans. The impact on the renewable power sector was thus relatively mild, led by supportive government policies, rising environmental concerns, incentives, and tax benefits.

Steps Towards Making India Net Zero by 2070



India is moving towards becoming the fastest growing green economy of the world. As per an International Renewable Energy Agency (IRENA) report, hydrogen is gaining importance as an important element in the energy transition to decarbonise harder-to-abate sectors. India has unveiled the first phase of its New Green Hydrogen Policy under the National Hydrogen Mission, to use renewable electricity to split water to make hydrogen, which can be used as fuel in several industries including refineries, steel plants and automotive fuel. Green hydrogen opens up a huge new opportunity of capacity building for solar, storage and wind energy, a new kind of hybrid electricity concept wherein all the three technologies can work together to produce round the clock power. India plans to manufacture 5 million tonnes of green hydrogen per year by 2030. Apart from being industrial feedstock for production of steel, ammonia, methanol and fertilisers, green hydrogen is set to play a big role in clean mobility and electricity production and storage. The green hydrogen industry will require the building of a domestic hydrogen production value chain. According to a report by The Energy and Resources Institute, in 2020, India's hydrogen demand stood at 6 million tonnes (MT) per year. It is estimated that by 2030, the hydrogen costs will reduce by 50%. The demand for hydrogen is expected to increase 5x to 28 MT by 2050 where 80% of the demand is expected to be green in nature.

Investment in the renewable energy market reached a record US$ 14.5 billion in FY 2021-22. The cumulative installed renewable energy capacity (excluding smaller hydropower generators and biomass) reaching 96.22 GW by March 2022. Between 2021 and 2026, this capacity addition is expected to grow by 13%. The renewables sector has the potential to employ around one million people by 2030, 10x more than the existing workforce, according to the CEEW-NRDC-SCGJ analysis.

As per Central Electricity Authority data, total renewable capacity addition during FY 2021-22 was 13.5 GW, a rise of 128% than that in FY 2020-21. The total share of renewable energy (excluding hydro) increased to 28.1% in FY 2021-22 from ~24.7% in FY 2020-21. Solar energy's share in total installed power capacity increased to 14.1% in FY 2021-22 from 10.47% in FY 2020-21.

Global Solar Power Industry - An Overview

Solar Energy – Energy of the Future

The global solar energy market, a dominant arm of the renewable energy, is growing at a galloping speed owing to increasing environment sustainability concerns and decarbonisation, prompting energy companies to improvise technology with greater efficiency. Even amidst pandemic, solar energy market remained resilient due to strong government rebate policies and support.

Investment in the renewable energy market reached a record US$ 14.5 billion in FY 2021-22.

According to Bloomberg New Energy Finance (NEF) reports, photovoltaic systems with a combined capacity of 183 GW were installed worldwide in 2021, almost 40 GW more than that witnessed in 2020. According to Clean Energy Technology service report at IHS Markit, over 1,000 GWdc of new solar installations are expected to be installed globally through 2025, driven by solar technology's competitiveness, versatility and installation speed. Global solar PV installations are expected to witness strong growth in 2021 and in 2022. The 200 GW mark of solar PV addition is expected to be broken in 2022 driven by the demand surge in China. Rooftop PV segment will be the fastest growing segment led by residential installations. Commercial and industrial systems will also clock robust growth due to growing profitability against the background of rising electricity prices.

Key Challenges During the Year

During the year, COVID-19 restrictions continued at different times in different countries, which led to delay and postponement of auctions, continued disruption of the global supply chain and lower demand due to lockdowns and

restricted mobility. This led to material and labour shortages and substantial price hike in raw material energy and shipping costs.

The utility segment has been the most affected in 2021, with multiple projects getting delayed or cancelled. In contrast, there was strong growth in the distributed generation of residential, commercial, and industrial segments boosted by the fuel crisis and surging electricity prices, mainly driven by markets such as China, India, US and Europe.

Capital costs are expected to stabilise led by anticipated technology improvements and normalised supply chain functioning.

Global Solar Engineering, Procurement & Construction (EPC) Industry

According to the report published by Vantage Market Research, the global solar EPC market was valued at US$ 51.2 billion in 2020 and is projected to grow by 2.7% CAGR to US$ 63.36 billion by 2028. North America was the leading regional segment of Solar EPC in 2020. The market in Europe is also demonstrating a considerably high growth rate and is expected to continue doing so led by favourable government policies towards the uptake of sustainable technologies. Among others, Asia Pacific is projected to witness a decent growth in the forthcoming years. New production capacities for solar cells and solar modules are increasing outside of China, particularly in India, the US and Europe.

{Solar Engineering, Procurement and Construction (EPC) Market Global Size, Share, Forecast upto 2028 | Vantage Market Research} {Solar EPC Market Demand and Research Insights by 2026 (transparencymarketresearch.com)}

As per IHS Markit, COVID-19 lockdowns brought back a concentrated PV market, in which more than half of the world's non-residential PV additions were in mainland China or the United States. Including Vietnam, where the commercial segment soared in 2020, these three markets contributed to 61% of non-residential PV. In contrast, non-residential PV installations in the rest of the world declined by 17%, as compared to 2019. In all, top 30 largest EPC providers installed 36 GW of non-residential PV systems, representing 28% of the global PV market up from 27% in 2019 and 21% in 2018.

Geography-wise Outlook

The National Solar Mission is aimed at installing 40 GW capacity of grid-connected solar rooftop installation systems by 2022.

According to the Mercom report, Utility scale projects accounted for 83% of the total installations, with 8.3 GW of new installations during the year, a 230% surge compared to last year. In Q4 2021, 2.2 GW of utility scale solar was added compared to 2.4 GW in Q3 2021. Utility-scale installations increased by 82% YoY compared to 1.2 GW installed in Q4 2020. In 2021, Rajasthan added the highest utility-scale solar capacity with 4.5 GW, followed by Gujarat with 1.2 GW and Uttar Pradesh with 885 MW. As per CEA, India's total Utility-scale installed solar capacity is 53.99 GW as on March 2022.

In February 2022, the Indian government allocated ₹19,500 crore to support solar PV module manufacturing under the production linked incentive (PLI) scheme. The scheme supports the setting up of integrated manufacturing units of high-efficiency solar PV modules by offering PLI on sale of such solar PV modules. It is aimed at attaining an ambitious goal of 280 GW of installed solar capacity by 2030. Government had infused ₹1,000 crore in SECI to enable it to float 15,000 MW tenders on yearly basis. SECI has successfully floated the said capacity of tenders in FY 2021-22. Govt had also infused ₹1,500 crore in IREDA to extend additional loan facility. This has enabled IREDA to provide financing options to the renewable sector projects and come out with comprehensive policy for funding new technologies like BESS, projects involving green hydrogen and electric mobility segment.

At COP26, the UAE announced its net zero target to be achieved by 2050 with investments of ~US$163 billion. Saudi Arabia has pledged to achieve net zero by 2060, allocating more than US$180 billion. Bahrain announced a new national economic growth and fiscal balance plan to achieve its net zero initiative by 2060. The country issued two solar tenders in 2021. The first green hydrogen project was inaugurated in Dubai at the MBR Solar Park. Oman, Egypt, Saudi Arabia and the UAE are well on track to develop the next green hydrogen projects planned.

The continent has the highest solar radiation per square metre and is the leader in terms of per capita capacity. There are state policies establishing Renewable Energy Zones (REZs) for large-scale renewables development. In 2021, Australia witnessed a record-breaking pace of addition to rooftop solar panels with over three million installations. In contrast, large-scale renewable projects faced headwinds, hindered by lower wholesale electricity prices and ongoing grid challenges. Since 2012, the Government has invested over AUS$230 million in around 130 solar research and development projects, including AUS$80 million to the Australian Centre of Advanced Photovoltaics. Government's strong push is evident from huge funding support for innovation of renewable energy generation necessary for the viability of future industries such as clean hydrogen and low emissions metals. As of March 31, 2022, there were over 3.12 million PV installations in Australia, with a combined capacity of over 26.1 GW. 2022 is expected to be an important turning point for clean energy development. According to Rystad, April 2022 ended with all Australian utility PV and wind assets generating 2.9 GW up 23% from 2.3 GW in April 2021.

United States has set a target to become carbon neutral by 2035. Significant capacity additions are expected to continue in 2022 and onwards. This will be led by the extension of 26% Investment Tax Credit and Federal Tax Credit for consumers who purchase solar panels for home or business, which renders projects more economically attractive. Higher corporate demand through PPAs driven by declining costs is expected to lead to a greater number of planned utility-scale projects. With sustained cost declines and tax credits, distributed PV continued to account for almost 30% of PV growth in 2021 and is expected to do the same in 2022. The risk for projects emanates from a variety of factors including anti-dumping duties and countervailing duties decision by the Commerce Dept of US.

The EU is set to overachieve its plans for 2030 stated in current National Energy and Climate Plans (NECPs). The plan supports higher targets under the "Fit for 55" programme (55% emissions reduction by 2030), which is expected to be finalised in 2023 or 2024. Utility-scale projects will dominate the accelerated expansion of solar PV in 2021 and 2022 – for the first time since 2017. In addition to Spain's corporate PPAs, capacity awarded through auctions in Germany, France, Poland and Turkey are stimulating utility-scale expansion in Europe. As for distributed PV, a generous net-metering scheme in the Netherlands and FITs and feed-in premiums in France and Germany support additions.

Key Trends Supporting Growth of Solar Energy

Increased Infrastructural Use of Solar

During the last decade, as the market was flooded with equipment, prices plummeted, and the cost of solar panels dropped exponentially, leading to increased solar PV system installation. However, COVID-19 led to a temporary disruption in the sector, which was otherwise poised to grow exponentially. As solar technology costs are expected to get better, more solar-powered sources will find usage in large infrastructure projects, thus lowering operating costs and reducing the need for disruptive installation processes.

Use of Green Hydrogen and Energy Storage

Many countries, in aligning their long-term goals, have announced strategies to develop hydrogen as a key energy carrier. Green Hydrogen, produced with electricity from renewable sources, will fulfil the criteria of sustainable and climate-safe energy use and net zero emissions. The past two years have witnessed increased momentum, with many countries adopting a national hydrogen strategy or announcing their intention to do so. Both green hydrogen and energy storage are set to give accelerated momentum to renewable energy sources, in which Solar will command a substantial share.

Growing Government Support

With continuous increase in pledges to reduce carbon emissions, subsidies for renewable energy sources including solar power are likely to surge. As the urge to go green rises, more firms and consumers will try to take advantage of government-sponsored programmes, tax rebates and other subsidies. For the next five years, solar PV technology is expected to account for the largest annual capacity additions for renewables, higher than wind and hydro. In response to geopolitical conflicts, many European Union countries announced plans to accelerate renewables deployment aimed at reducing their dependence on Russian natural gas imports. The Chinese government announced 450 GW of additional large-scale onshore wind and solar PV mega projects with 100 GW starting development at the beginning of 2022. China's Ministry of Finance confirmed the payment of outstanding renewable energy subsidies worth US$ 60 billion to be paid through 2022, improving the balance sheet of developers and unlocking additional funds for new projects. In the absence of national subsidies, provincial governments are still providing tax incentives and low-cost financing to renewable energy projects in China. The European Union's onshore wind growth was impacted due to ongoing permitting challenges slowing deployment in Germany, Poland and Italy. Brazil's generous net metering scheme resulted in a distributed PV market boom. The US market for solar PV was adversely impacted due to issues in import following restricted use of products manufactured in China. Japan launched a new feed-in premium (FIP) scheme in April 2022, for aiding additional capacity growth for solar PV and onshore wind in the longer term.

Increasing Affordability in Future

As with most technologies, the cost of developing and purchasing solar solutions has decreased over the last decade with its growing popularity. Widespread adoption of solar technology is driving prices lower and prompting more enterprises to embrace solar technology. With soaring demand for solar energy, investment in its research and development is expected to grow proportionally. Its cost effectiveness will further increase as competition intensifies. Strong government support across the globe with tax benefits and rebates will further drive costs lower, making it more viable as compared to thermal power sources.

Solar with Storage

The Energy storage devices (short term and long term), providing round-the-clock access to electricity even during absence of direct sunlight, work by absorbing (charging) excess electricity during sunlight hours and then storing it. This stored energy can then be utilised as per Grid requirements. The global solar energy storage market is being driven by the escalated energy demand globally along with decarbonisation of the Grid as they provide necessary solutions for the fluctuations in the grid, namely frequency, voltage, power, and load. The electrification of transportation and heat sector, digitalisation of modern economies, and an increase in the number of electronically connected devices is expected to accelerate the industry growth and the overall requirement of Power (mainly Green in nature). Pairing storage with solar offers cost synergies, operational efficiencies, and the opportunity to reduce storage capital costs with the solar investment tax credit. Demand for solar paired with energy storage for multiple use cases is expected to witness a sharp jump, led by minimal curtailment risk.

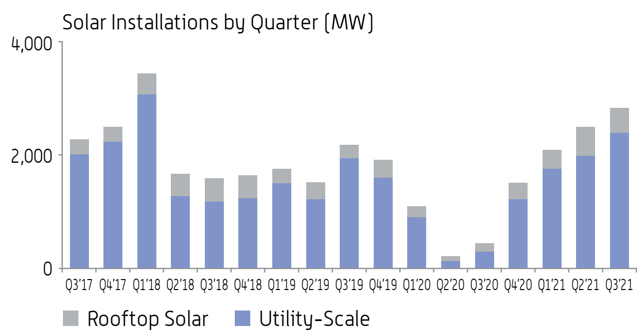
The global solar energy storage market is estimated to grow at 61% CAGR during 2022-2027. Currently ignoring the East Asian countries (China, Korea, and Japan), The Market Leaders in usage of Storage with Solar and Standalone are USA, Australia, and EU (specifically UK). These are likely to change in the near- and long-term future with India and Latin America joining USA and China into the leader board by 2040. All these countries would have huge penetration of Renewables into their grid and thus would need to the support of Storage to stabilise the same.

India Solar Market

In India, solar and wind are the most popular renewable energy sources. Solar power capacity has increased by more than 15 times in the last seven years. The solar energy segment is expected to witness significant growth during 2022 to 2027 capturing the largest market share among all renewables. This is owing to increasing investment opportunities, declining costs of solar modules and the versatile use of these systems.

India is endowed with vast solar energy potential having ~5,000 trillion kWh per year of energy being incident over India's land area with most parts receiving 4-7 kWh per square meter per day. According to the MNRE, installed solar energy capacity increased to ~40.1 GW in FY 2020-21, up 16% from 34.6 GW in FY 2019-20.

India PV Installation historical data, 2017-2021



Source: Mercom India Research (Sep 2021)

The Indian supply chain ecosystem is dependent on imports and to reduce this dependence, Indian manufacturers need to create and develop a supply chain ecosystem to achieve desired economies of scale. With new PLI schemes, giving preference to manufacturers who will set up integrated technically advanced solar PV manufacturing plants of higher capacity, supply chain issues will be streamlined. The PLI announcement is expected to boost domestic manufacturing units and further help India reduce its dependency on imported modules. In next five years, as economies of scale play, not only will India become self-reliant, but also the global supply chain for PV module will get concentrated in India. Coupled with Basic Customs Duty, PLI scheme has provided the right balance for establishing the solar manufacturing ecosystem in the country.

India Solar EPC Market

According to Mercom India Research, India added 10 GW of solar capacity in CY 2021, up 210% compared to 3.2 GW installed capacity in CY 2020. India's total installed solar power capacity stood at 52 GW at the end of March 2022 including over 3 GW added in Q1 CY 2022 with large scale solar contributing around 2.7 GW. Solar developers imported as much as 10 GW modules before the April 1, 2022 BCD deadline. Solar accounted for 62% of new power capacity additions in 2021, the largest share of power capacity ever. Installations in 2021 were the highest ever recorded in India. Large scale projects accounted for 83% installations with 8.3 GW. Growth in 2021 was led by significant number of projects being carried forward from 2020 due to COVID-19 extensions. Rajasthan, Karnataka and Andhra Pradesh were the top three states that witnessed large scale solar installations.

According to Mercom, Investments in the Indian solar sector increased 254% in CY 2021. There was a 278% increase reported in investment in large scale solar segment and 150% increase in investments in rooftop segment. This is reflective of the increased project development activity post COVID-19 related disruptions in 2020.

Despite ambitious solar targets, the EPC market segment is faced with several challenges. Availability of a good land parcel and its acquisition due to regulatory or cost related issues, are the primary hurdles. EPC players need comprehensive geo-technical reports, solar resources and ambient circumstances to establish an innovative engineering system. Due to lack of reliable Government data, activities like sustaining plant stability, field levelling, safeguarding against wind loads, minimising repair costs becomes very difficult. Thus, a strong engineering arm is critical to any EPC's success as it enables optimisation of plant design. The three main challenges are suitable site availability, appropriate evacuation infrastructure and policy support for tariff discovery and adoption.

Solar Operations & Maintenance Industry

According to Wood Mackenzie, the global non-residential solar operations & maintenance (O&M) business is predicted to grow more than double to US$ 9 billion by 2025 from US$ 4 billion in 2019. A steady growth in the global solar power industry has led to an unprecedented and rising demand for O&M services. With solar energy dominating India's energy transition, the opportunity transcending the solar O&M industry is huge. Domestic solar O&M has emerged as a separate market with increase in the number of solar plants getting stable. A growing number of O&M contracts are getting re-tendered, presenting a rising opportunity for O&M service providers.

Solar O&M was earlier limited only to module cleaning, plant security, optimal spares management and overall plant upkeep. As large-scale solar assets mature and plant sizes increase, asset owners are understanding the value of a strategic data-driven approach for maintenance. With smart technology becoming a powerful competitive advantage, the solar O&M market is fast changing from being a conventional one to tech driven. Timely reporting and accuracy of plant performance metrics and plant availability is becoming a critical requirement of the asset owners. New technologies are being implemented to improve asset cycle management, remote sensing (powered by Industrial Internet of Things), cloud computing and aerial techniques for visual imaging. This helps reduce manpower dependency and create better insights for improved operations.

Technology-driven O&M is now a pre-requisite to attracting investment into the sector and maximising Levelised Cost of Energy (LCOE) for the investor. Continuous performance monitoring, trend analysis and forecasting, and predictive analytics help maximise plant performance and reduce plant downtime. Artificial Intelligence (AI) and Machine Learning (ML) have emerged as important tech solutions in the quest for better monitoring and predictive maintenance. These technologies have the potential to analyse big data, optimise the present and forecast future trends.

A holistic approach is needed in operating and maintaining solar projects to deliver the highest plant efficiency. Dedicated

Going forward, it is expected that the entire lifecycle of a solar asset will gradually convert into a digital blockchain.

teams are needed to conduct regular plant operations, recommend preventive and corrective maintenance, and optimise plant yield. They must integrate proven state-of-the-art and best-in-class digital tools and tracks to analyse real-time data of solar plant for improving plant performance.

Going forward, it is expected that the entire lifecycle of a solar asset will gradually convert into a digital blockchain. And assets will be sold and purchased on a transparent platform and financial transactions will get streamlined. Digitisation will lead to completely automated operations and uberisation of manpower in surveillance, module cleaning and remote monitoring for enhanced plant performance. As the solar O&M story continues to be on a growth path, cutting-edge technologies have the potential to optimise critical components, stay competitive and revolutionise the solar O&M industry.

Company Overview

Sterling and Wilson Renewable Energy Limited (SWREL/ Company) is a global pure-play, end-to-end renewable engineering, procurement and construction (EPC) solutions provider. The Company provides EPC services for utility-scale, floating solar, hybrid & energy storage and waste-to-energy solutions with a focus on project design and engineering and manages all aspects of project execution from conceptualising to commissioning. The Company also provides operations and maintenance (O&M) services, including for projects constructed by third parties. With a presence spread across 25 countries, the Company has operations in India, South-East Asia, the Middle East, Africa, Europe, the Americas and Australia.

Stake Acquisition by Reliance New Energy

Reliance Industries subsidiary Reliance New Energy (RNEL), acquired a 40% stake in Sterling and Wilson Renewable Energy Limited. This move will further provide thrust to achieving Reliance's commitment to enable up to 100 GW of solar energy in India by 2030 and becoming a global player in the renewable industry. With its engineering talent, deep domain knowledge, global presence and experience of executing some of the most complex projects globally, the Company will become an important part of Reliance's solar value chain. In turn, the Company will also immensely benefit from Reliance Group's integrated new energy vision.

Complete Solutions Provider for Solar Needs

With its unparalleled global reach and presence, strong relationship with customers and lenders and an established project execution experience, the Company is well positioned as the preferred EPC solutions provider globally. Its offerings include:

Design and Engineering

The Company's proficient team of over 155 experts provides innovative, efficient and cost-effective solutions.

Procurement

Rigorous quality management system encompassing strict vendor selection process helps ensure highest quality standards are met.

Inspection & Audit

A strong 3-stage audit process of the vendor's facility, along with pre-shipment inspection enables the Company to provide superior quality solar components.

Construction

The Company's in-depth final inspection and testing of constructed plants enables the Company to execute robust designs conferring to highest safety standards.

Field Quality Monitoring

All under-construction plants are centrally monitored enabling best in class quality and prompt delivery.

O&M Services

The Company guarantees sturdy operations, timely corrective measures and high yield output. It is committed to long-term O&M services for own customers as well as third-party projects.

Competitive Advantages

The Company is amongst the few EPC players who are bankable, experienced, competitive and highly reputable. With an unparalleled global reach, the Company has an edge over competitors owing to the below factors.

- **Partnership with Reliance Group:** Supply chain issues are expected to reduce due to Reliance's strong in-house manufacturing capabilities and global employee base. The Company's position as a leading global EPC and O&M player will be further strengthened through this partnership and will provide greater opportunities in both domestic and international markets.
- **Competitive Positioning:** Led by the global supply chain, long-term relationships with suppliers and vendors, robust repeat order history, successful track record of executing complex and large EPC projects and a centralised procurement policy, the Company's operations are highly efficient. The Company is a partner of choice given its rich experience with most of the big clients globally. It has a strong repute amidst most global lenders/ FIs owing to vast experience of executing wide range of projects ranging from 1 MW to 1 GW.
- **Being an Important Part of the Global Solar Value Chain:** Until recently, the global solar market was dominated by Chinese suppliers. However, with aggressive investment plans by some of India's leading corporates in the solar industry and government support through PLI, the entire solar value chain is expected to shift to India in the coming two years. As economies of scale play in, Indian solar companies are able to compete on a global basis. The Company is leveraging its strong domestic relationships to become a world leader in the solar industry.
- **Widespread Global Presence:** The Company has achieved significant geographical diversity with its business operations spread across 25 countries.
- **Asset-light Business Model:** The Company is in a unique spot to provide scalable made-to-order solutions. It can easily adapt according to changing market needs due to agility in its operations, thus satiating different types of customer needs. The Company works with low capital and working capital requirements.
- **Superior Quality:** Robust project management with stringent inspection throughout the product cycle, field quality monitoring and access to low-cost skilled contractual labour, it provides highest quality services at competitive rates.
- **In-house Designing and Engineering:** With widespread global reach, the Company is equipped with in-house designing and engineering. Its team of 155+ professionals offers unique customised profitable solutions according to customer needs.
- **Technological Prowess:** The Company's technologically advanced innovation centre enables testing and analysing futuristic technologies. Being pioneers of new technology, the Company is technology agnostic with a strong experience in using modern technology. It offers unique solutions for differentiated needs inspired by advanced technologies including drone thermography

and thermal imaging; mobile vans to evaluate component as well cable level fault detections and rectifications; strong analytics and predictions; IV curve tracers; underground cable fault finders; robotic cleaning solutions; centralised monitoring and maintenance systems; automatic grass cutting; IoT CCTV camera; preventive and predictive analytics; solar + storage, and floating solar; among others.

- **Customer-centricity:** Customer satisfaction is ensured through agility in decision-making following a flexible approach, strict time bound project execution, and compliance to the highest quality standards.

Business Segments

The Engineering Procurement and Construction (EPC) and Operations and Maintenance (O&M) are the two primary business segments of the Company.

EPC Business

Offering a complete range of solar EPC solutions, the Company provides end-to-end services with a focus on project design and engineering. The Company is proficient in managing all aspects of project execution from conceptualising to commissioning. It is one of the leading solar EPC players across India, Africa, the Middle East, Australia and Latin America. The Company is strengthening its foothold in Europe and USA.

a. Utility-scale Solar

Utility-scale solar involves designing, engineering, procuring, project managing, testing, commissioning, connecting solar projects to the grid and long-term operations and maintaining the plant. The Company has rich experience in providing a range of comprehensive customised solutions like Turnkey, Balance of Systems (BoS) and packaged BoS. It has exhibited its superior EPC capabilities with successful execution of several landmark projects across the globe.

b. Floating Solar

Being one of the first movers in this segment, the Company offers a range of solutions in the floating solar segment including anchoring and mooring, project management and planning, module and equipment floating structure installation, maintenance manual and design book issuance, and bathymetric and geotechnical assessment studies. Having developed ample technological expertise in this segment, the Company is ready to execute larger projects.

c. Hybrid & Energy Storage

A large part of the global market where there is dearth of Stable Transmission systems are moving towards microgrids, which are based on 100% renewable energy. There is a huge demand for decentralised power plants because not only are they environmentally friendly but are also economically viable against the currently prevalent Diesel Sets or Gas based production.

The Economies with a good Grid penetration (mainly developed and developing countries) are pushing towards a greener grid by slowly phasing out natural resources depleting plants or by adding tremendous capacities of RE into their existing grid.

With an aim to embark on its next phase of growth, the Company plans to make inroads in EPC solutions for hybrid and energy storage solutions. With the meteoric rise in solar installations globally, it is in an advantageous position to leverage on tremendous growth opportunity the industry is poised for. SWREL has developed a very capable, technically sound, and dedicated BESS team which has vast experience in the Storage Solutions. We also have developed in-house expertise in designing energy storage solutions by collaborating with leading battery manufacturers and energy storage solution providers. These help us provide our clients with the right technology in a completely agnostic manner ensuring clients having different requirements and solutions are catered to in an efficient and optimum manner. Solution offerings in this segment include hybrid energy solutions dealing with a mix of solar and battery energy storage, standalone turnkey battery energy storage solutions, and industrial, island and grid connected microgrids.

O&M Business

A global leader in O&M and asset management solutions, the Company provides superior quality services to its existing EPC projects as well as third-party customers.

With annuity-based contracts, the O&M business provides steady income over its tenure of O&M service contract and earns better gross and net profit margins. The O&M business is witnessing strong traction, with a portfolio of more than 6.6 GWp. The O&M segment contributes ~4% to the total revenues.

With a strong presence in most emerging markets as well as in markets which have solar plants historically built, the Company is achieving great scale. The Company has maintained excellent relationships with all global IPPs and boasts of having executed 160+ solar plants spread over multiple locations across time zones. When Defect Liability Period (DLP) comes to an end in plants with the existing EPCs, the Company has an opportunity to scale up the O&M business in these markets. The Company's team keeps a close eye on such contracts and follows up to ensure they monetise the anti-incumbency sentiment.

The Company has a strong team of expert engineers, managers and data analytics with in-house R&D team and centralised monitoring platform and computerised maintenance management system. Aided by its flexible approach, the Company has been signing both short-term and long-term O&M contracts, providing flexibility to the developers. It has developed an edge over its competitors for third-party O&M by virtue of offering additional value-added O&M services.

For the convenience of developers, the Company makes use of its NABL-certified mobile module testing lab in India and cutting-edge technological knowledge. The lab not only tests modules at the plant location, but also saves time and transportation costs. Its performance and due diligence team analyses and suggests measures for optimum plant performance. The Company focusses on technology automation with its expert team and in-house resources to provide different type of services without depending on the external resources. This helps the Company gain a competitive edge in the market.

The Company is also working on different technologies to strengthen its predictive and preventive maintenance capabilities with different devices for sensing external faults, replacing manual module installation with robots even for large scale projects, automated cable laying etc. The Company's strong EPC portfolio and client engagements enables it to leverage insurance and warranty in the O&M segment.

Key Developments in FY 2021-22:

- Developing new projects in emerging energy offerings using different technologies like designing software, indigenous battery technology etc.
- Strong focus on the PSU segment where the competition is going to intensify with abundant new bids on the horizon as a lot of PSUs are changing their business model
- Striving for high level of automation to reduce dependence on manpower availability and save costs

Complete Control over Project Lifecycle

Market evaluation	Precursor to bidding for new projects	Market research	Advance verbal deals with local suppliers and sub-contractors			
Bidding evaluation, Report preparation, Bid submission	Use of risk assessment matrix	Growth accretive projects approved	Bidding for viable projects for business continuity			
Selection of suppliers and sub-contractors	Good quality	Financial strength	Established market reputation	Background checks		
Approval and finalisation of design	Secure regulatory approval and permit	Design finalised based on contractually agreed performance ratio	Improves performance, reduces potential risk factor; optimises costs			
Procurement	Approval based on 3 step quality management process	Use of good quality components				
Construction, inspection & commissioning	Standardised construction processes followed	Cost-effective and efficient construction	Supervision of WIP	Adherance to safety protocols	Final inspection to ensure agreed performance objectives are met	Handing over of plant post testing by commissioning team

Business Review

Overall Performance

Total revenue from operations was ₹ 5,198.9 crore in FY 2021-22 as compared to ₹ 5,080.8 crore in FY 2020-21, up 2.3%. The EPC business contributed 95.7% to the overall revenue while the remaining 4.3% was contributed by the O&M business.

The Company is striving to minimise and optimise the overheads (fixed cost structure) as much as possible and improve efficiencies.

The Company's unexecuted order book was ₹ 3,253 crore as of March 31, 2022 as compared to ₹ 9,127 crore as of March 31, 2021. Total order inflow was ₹ 719 crore for FY2022 as compared to ₹ 7,936 crore for FY2021. Customer concentration in terms of revenue contribution increased to 59.82% in FY 2021-22 from 27.85% in FY 2020-21.

The Company became net debt free with net bank balances of ₹ 73 crore as on March 31, 2022.

Particulars (₹ crore)	FY 2021-22	FY 2020-21
Revenue from operations	5,198.9	5,080.8
Other income	94.7	158.5
Total income	5,293.6	5,239.3
Operating profit	(859.3)	(363.0)
EBITA margin (%)	(16.5)	(7.1)
EBIT	(874)	(379.0)
EBIT margin (%)	(16.8)	(7.4)
Net profit	(915.8)	(290.0)
Net profit margin (%)	(17.6)	(5.7)
Cash generated from operating activities	(1,689.8)	201.0
EPS (₹)	(54.2)	(17.8)

EPC Business

The Company's EPC business revenue increased to ₹ 4,974.5 crore in FY 2021-22 from ₹ 4,825.8 crore in FY 2020-21. Stronger policy support from the government in terms of tax incentives, favourable policies for renewable sectors, coupled with ambitious climate targets announced for COP26, are expected to drive demand for solar energy worldwide.

O&M Business

Revenue in O&M business decreased to ₹ 222.9 crore in FY 2021-22 from ₹ 252.1 crore in FY 2020-21. EBIT margin stood at 24.9% in FY 2021-22 as compared to 39.5% in FY 2020-21. Segment contribution to the overall revenue decreased to 4.3% in FY 2021-22 from 4.9% in FY 2020-21.

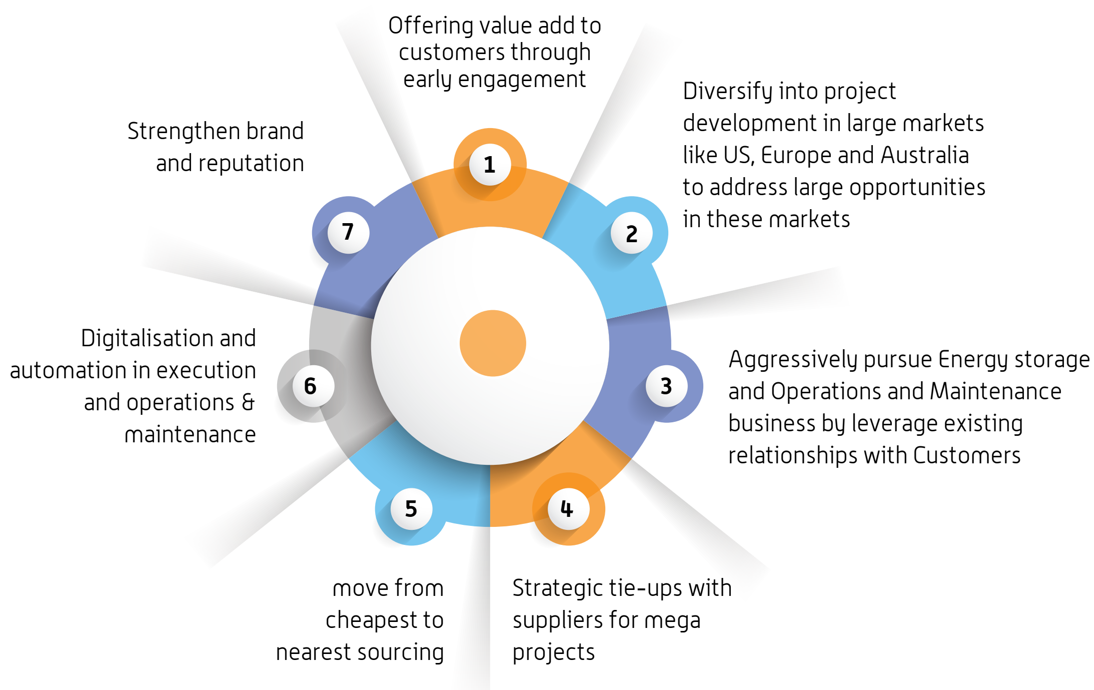
- Total assets under management declined to 6.6 GW in FY 2021-22 from 8.1 GW in FY 2020-21. Reduction in O&M portfolio is primarily on account of sale of plants by clients to customers having their own O&M teams.
- The Company has projects across 14 countries with India contributing 11%.
- Third-party O&M comprised one-third of the total portfolio.
- The Company is focussing on augmenting its international O&M portfolio. It provides enhanced value to customers through its key O&M differentiators such as drone thermography, strong analytics and predictions, IV curve tracers, and underground cable fault finders.

Key Highlights for FY 2021-22

- Revenue from operations increased to ₹ 5,198.9 crore in FY 2021-22 from ₹ 5,080.8 crore in FY 2020-21, up 2.3%. Region-wise, revenue share of Australia was 56%, U.S. 21%, India 11%, Latin America 9% and balance 3% by the MENA and Africa region.
- Adjusted gross margins (adjusted for MTM impact) stood at (9.7%) in FY 2021-22 as compared to 0.5% in FY 2020-21 due to increase in modules prices, liquidated damages and increase in overhead and subcontracting costs due to extension in project timelines because of COVID-19 and module delivery delays.
- The O&M business revenue declined to ₹ 222.9 crore in FY 2021-22 from ₹ 252.1 crore in FY 2020-21.
- Other Income (excluding interest income) stood at ₹ 37 crore in FY 2021-22 as compared to ₹ 27 crore in FY 2020-21.
- Recurring Overheads increased by 6% in FY2022 primarily due to office set up in Spain and its associated cost to cater to European market. The Company has decided to continue to invest in its manpower to take advantage of the tremendous growth opportunities in the domestic and international market.
- Negative net core working capital of ₹ 302 crore as on March 31, 2022 as compared to negative core working capital of ₹ 530 crore as on March 31, 2021.
- As on March 31, 2022, the Company was net debt free with net bank balances of ₹ 73 crore.

Particulars (₹ crore)	FY 2021-22	FY 2020-21
Debtors Turnover	6.37	3.53
Interest Coverage Ratio	0.14	0.10
Current Ratio	1.53	1.01
Debt Equity Ratio	0.48	0.71
Operating Profit Margin	(17.19%)	(6.49%)
Net Profit Margin	(17.61%)	(5.71%)
Return on Net Worth	(116.02%)	(31.05%)

Key Strategies for Growth



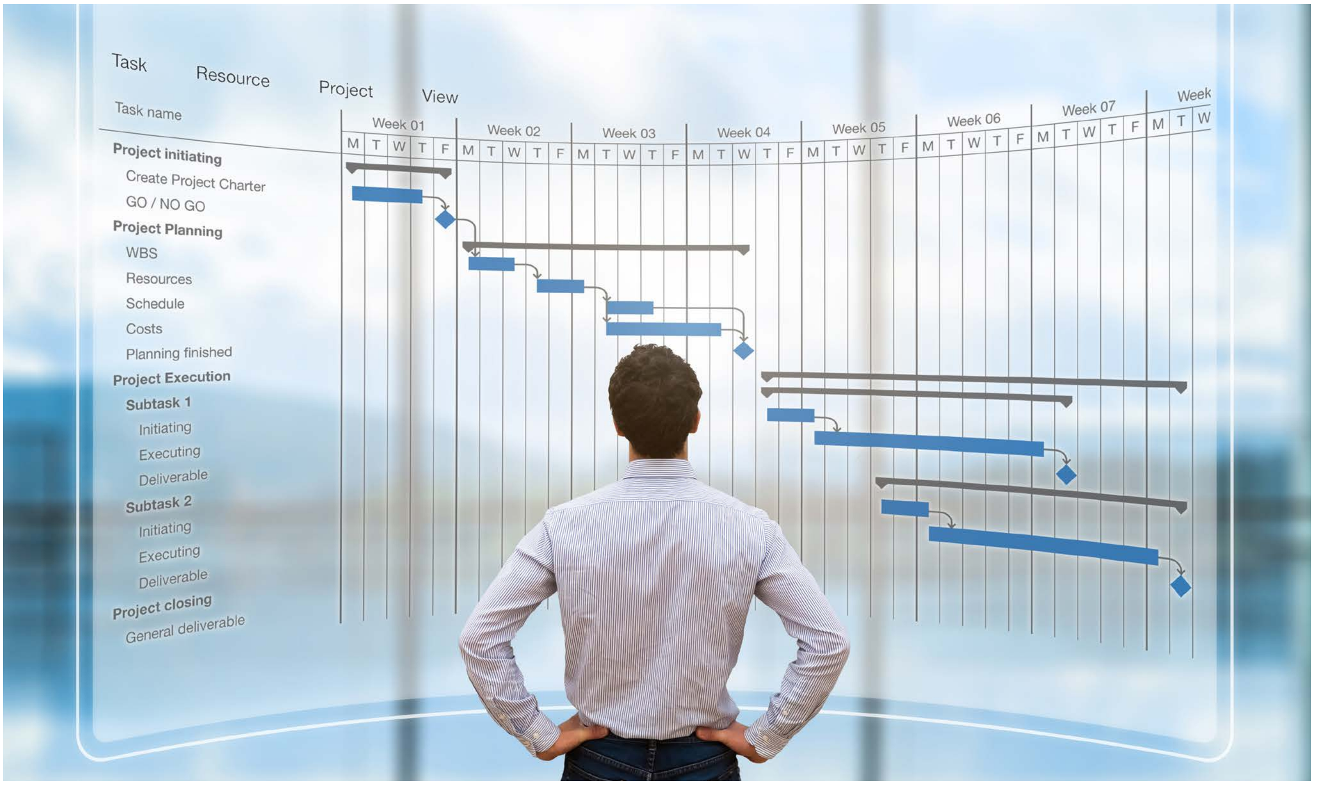
Management Outlook

The Company is one of the largest solar EPC players in terms of market share. The Company boasts of being a backward integrated and tech-agnostic EPC player, leveraging economies of scale due to widespread global presence to bring in cost efficiencies. The Company will leverage its strong brand equity, large-scale operations, vast footprint, established history, strong team of in-house engineers, and long-standing relationship with global IPPs, developers, and lenders to build on innovative and technological capabilities in EPC and O&M. It will continue to be its key differentiating factor. With Reliance becoming a partner, the Company plans to regain its status as the number one global EPC over the next 3 years. In addition, the captive business from Reliance will provide the Company a stand which will clearly position it as the global leader.

The Company is focussing on adding a sizeable number of commercially viable projects that present multiple opportunities in different markets. Despite an expanding geographic presence, the Company's key focus will continue to be on India. With majority clients looking at significant capacity additions in the near future, the Company remains buoyant and positive about rapid future growth. Being a well-established EPC player with global exposure, the Company is well positioned to provide value adds, giving it an edge over competition - and enabling it to secure repeat orders.

The Company aims to use its project management skills and strong stakeholder relationships to become a global leader in the energy market of the future. It is working on expanding its renewable energy offerings to include EPC solutions for hybrid energy power plants, energy storage and other renewable energy-based solutions. Considering round-the-clock renewable energy projects with battery storage are the future, the Company intends to increase focus globally towards clean hydrogen mission and on large Solar PV + BESS projects in US, Europe and Australia. It is leveraging the increased focus globally on low-carbon energy consumption and resultant growing demand for green energy solutions.

With the global O&M market projected to reach 34 GW by the end of 2023, the Company endeavours to tap this growth by identifying profitable opportunities in the international markets by way of extensive market research and global customer mapping. To increase the share of third-party O&M projects, the Company plans to leverage its strong partnership with global IPPs to grow both organically and inorganically. It also has proper Service Level Agreements (SLAs) with all OEMs of the equipment installed at sites to avoid / further minimise any downtime. The Company aims to provide enhanced value to customers through O&M differentiators like drone thermography, strong analytics and predictions, underground cable fault finder etc. In-house learning and training is to be provided to upgrade the technical skills of the team.



Risk Management

Corresponding to the nature of business, the Company has devised a comprehensive risk management framework. Both internal and external risk factors are closely monitored using clearly articulated internal processes. The Company's risk management framework encompasses well devised strategies for judicious mitigation or restriction of probable risk factors. The Risk Management team thoroughly assesses and analyses the risks depending on the geographical footprint, market size, future opportunities and geopolitical risks. Commensurate action is taken to ensure business continuity.

Risk	Business Impact	Mitigating Measures
Industry Risk	Being a part of the EPC industry, the Company's growth is directly dependent on performance of the global solar industry. Any fluctuation in demand of PV installation impacts the earnings of the entire EPC industry.	India's push to become a leader in the renewable energy space with an ambitious target of achieving 450 GW of renewable energy capacity by 2030, bodes well for the future growth of the Company. Government support on financial and other incentives over the years has helped India emerge as a global front runner in the clean energy ecosystem. The future looks promising for new solar installations. This coincides with the overall clean energy surge triggered by a combination of a decline in capital cost, technological advancements, competitive tariffs and political commitment toward climate change, making solar the preferred choice for incremental capacity globally.
Supplier Concentration Risk	The solar market dominance by limited Chinese suppliers poses significant risk for the entire industry in case key raw materials supply is delayed or unavailable. Project competition becomes a challenge due to increase in costs.	The Company has a strong connect with most global suppliers, strong vendor selection process, periodic supplier audits and good market monitoring throughout the entire supply chain. This helps minimise supplier risk. Recently, the global landscape for solar industry is changing with plans of some of India's leading corporates to invest huge sums in the solar industry and increasing Government support. The entire solar value chain will be captured in India, which will enable the company to leverage its strong domestic relationships to become a world leader in the solar EPC industry.
Geopolitical Risks	The Company's earnings are at the risk of any untoward economic, regulatory, social and political developments that directly or indirectly influence the countries in which the country operates in.	An expert team monitors regulatory, environmental, safety, health, labour and other business-related regulations of a market the Company intends to expand into. Careful monitoring of market conditions enables the Company to strategise around any developments in its markets. Geographical concentration risk is minimal for the Company owing to its widespread global footprint.
Competitive Risk	The Company faces risk from an unprecedented rise in competition as the solar industry is witnessing a significant growth in the wake of growing global environmental consciousness and pledges to reduce carbon emissions.	The Company is amongst the few globally bankable EPC players with rich experience, strong brand equity, unique innovative and technologically advanced offerings, end-to-end solutions, competitive pricing and widespread global operations. These attributes enable the Company to maintain a competitive edge.
Operational Risk	The Company faces risk of inability to accurately estimate costs, failure to maintain contractual quality and performance requirements, and delays in project execution. Such operational risks pose significant threat to earnings.	Strong control over each stage of the project lifecycle from designing, procurement, supplier inspection, construction, field quality monitoring to final commissioning with robust internal processes, strong HR policies and risk assessment framework, enables the Company to operate with great efficiency.
Currency Risk	Presence in several countries, exposes the Company to currency translation and transaction risks. Inability to match revenues received in foreign currencies with costs paid in the same currency, exchange rate fluctuations may materially impact the Company's liquidity position.	The Company undertakes adequate hedging in the contract stage itself for major projects to cover itself against any currency risk. Derivative and non-derivative instruments use also enables the Company to minimise impact of fluctuations in foreign currency.
Module Price Hike Risk	Polysilicon is a key input for cell and module manufacturers. The Company's earnings may get severely impacted if polysilicon price increases leading to price of solar modules.	The Company's strong inventory management process and long-term contracts based on variable pricing enables it to minimise risk arising from price hike in module price or any other key raw materials.

Human Resources

Human capital is considered a critical resource the most valued asset. The Company's philosophy of Human Resources is based on the conviction that well-being of the Company and the employees is inter-dependent. The Company is committed to hire the most competent and diverse talent pool and treats every employee with dignity, equality, respect and fairness in a consistent manner. The Company undertakes initiatives to ensure both physical and psychological well-being of all employees. The Company strives to create a safe, engaged, stimulating, enabling and productive work environment and foster a performance-driven work culture.

HR policies identify and focus upon specific areas of role-based skills building led by various up-skilling, re-skilling and cross-skilling training programs. Employee connect and talent retention is given priority through focus on cross-business synergy, individual leadership, synergy and cohesiveness, and building leaders as mentors. The top-down approach adopted encourages leaders to be accountable, committed to personal growth, become a role model for the teams below and foster learning focussed culture. During the pandemic, the Company initiated all possible measures to ensure employee safety and boost morale.

The Company has different programmes to ensure employee satisfaction, appropriate dialogue on professional and personal matters, seminars to provide new insights and perspectives and empower them to rise stronger. Workshops are conducted for behavioural, functional, communication development and leadership training. Such strong HR policies result in unwavering employee loyalty.

During the year, the Company has created taskforces to enhance automation at project sites, mainly by use of robotics, especially for tasks where human interference is risky and complex. The Company has recruited personnel from MNRE trained centres. The Company acknowledges the importance of the manner in which managers at every level and their team members carry out their duties and obligations in line with the strategy.

The 360-Degree Feedback Initiative

In order to develop human resources, it is imperative to provide clear and continuous feedback. A few cultural enablers facilitated the introduction of 360-degree feedback to make the process more robust by adding feedback from various internal and external stakeholders. "The 360-degree is not a solution looking for a problem, but an answer to a key organisational imperative." Training is given to managers to develop their skill/knowledge upgradation, cross functional exposure and self-confidence. Open door culture is encouraged at the organisation. The top management consistently encourages managers to take calculative risk without the fear of being penalised. Managers are encouraged to be self-critical and not project only their achievements. The 360-degree feedback is mainly used as a development tool.

The Company is committed to hire the most competent and diverse talent pool and treats every employee with dignity, equality, respect and fairness in a consistent manner.

Leadership Development Programmes

The Company's philosophy encompasses encouragement of employees with leadership potential to develop their intrinsic leadership strengths. There is a compelling need to develop in-house leaders as they have ingrained the core values of the organisation through years of association. In certain areas, hiring fresh talent may be important to create cross pollination in the organisation. The Company undertakes several skill and development training programmes covering CXO levels to mid and junior levels. These include leadership development initiatives, business sustainability and organisational development initiatives, business unit focussed programmes, communication development certification programme, behavioural and functional workshops and technical training sessions. The Company grooms high potential employees through programs like inspirational leadership, empowered leadership, MDPs, Catalyst, Udaan, Shikhar etc. to enable them to take up bigger roles and responsibilities as part of the succession plan.

The Company's growth is co-dependent on the growth of the employees within the organisation. The commitment, enthusiasm and dedication of employees has helped the Company to become one of the great places to work globally. Fostering a culture of caring and trust is embedded in various corporate policies like the Environment, Health & Safety (EHS) Policy, Whistle-Blower Policy, Ethic Helpline, Meri Aawaz Suno etc. The Company has adopted a non-discrimination policy and is an equal opportunity employer.

As on March 31, 2022, the Company had 1,302 employees belonging to 21 different nationalities, of which 1,067 were on its payroll and 235 on fixed term contracts. 450+ employees belonged to O&M and 155 belonged to the design and engineering team.

Information Technology

The internal control mechanism is carefully prepared in accordance with the size and nature of the business. With an aim to ensure accuracy in financial information recording, safeguarding assets from unauthorised use, optimum use of resources and compliance with statutes and laws, the Company ensures strict compliance to comprehensive procedures, systems, policies and processes.

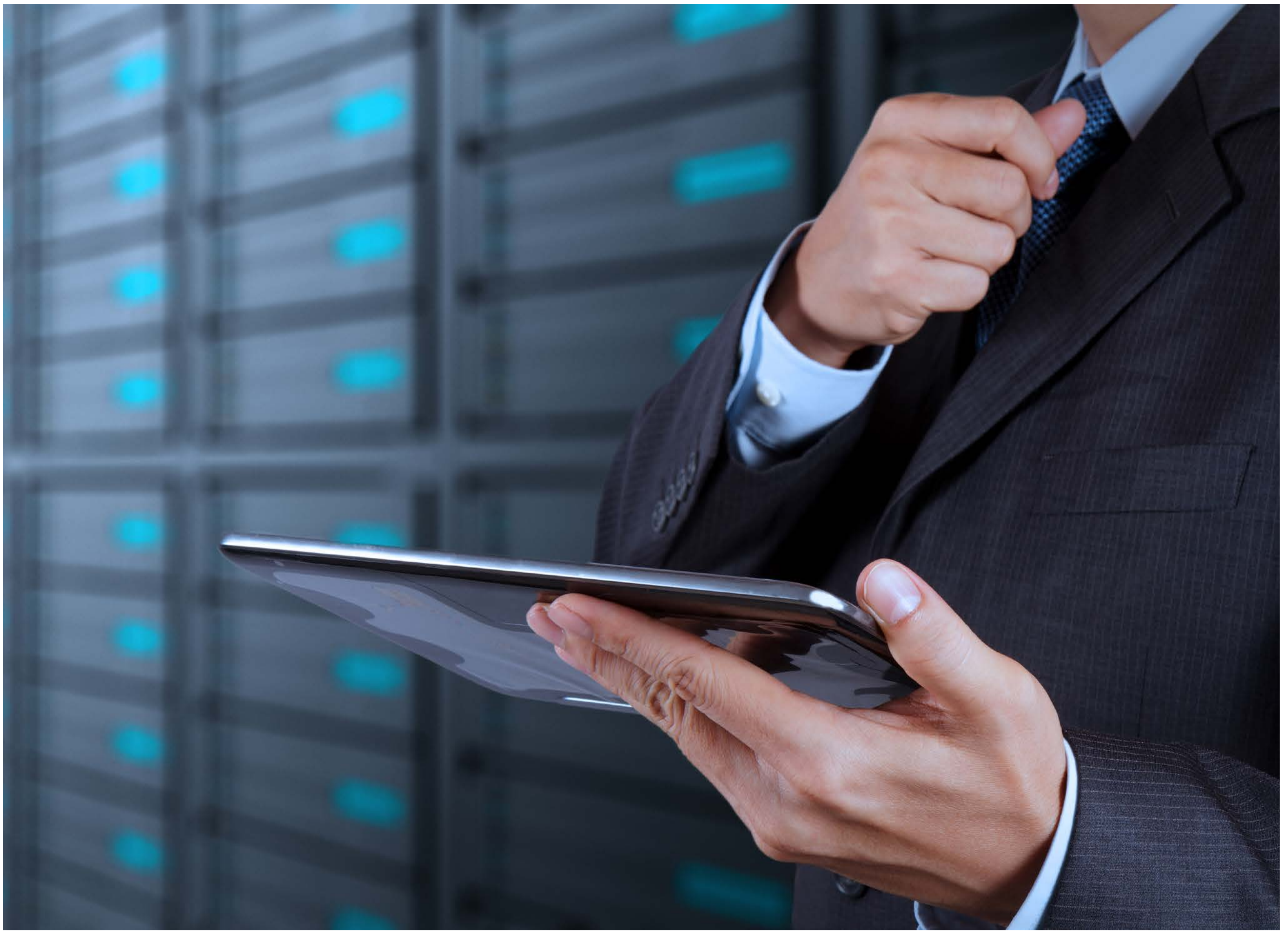
The Company achieved several milestones during FY 2021-22 with respect to its IT function. The Company successfully implemented a global harmonised SAP ERP system with integrated processes on latest high performance HANA technology. TheIoT-based real-time solar plant performance monitoring application was enhanced to digitise maintenance workforce with mobile and multilingual capabilities. The IT team also delivered many digital solutions to make key process integrated and online. The Company implemented state-of-the-art Security Operating Centre (SOC) to monitor key digital assets, users and network for detecting and eliminating any suspicious activity. The Company also identified key initiatives to digitise engineering design, project management, supply chain and project scheduling and monitoring processes to improve performance and access to key information.

As on March 31, 2022, the Company had 1,302 employees belonging to 21 different nationalities, of which 1,067 were on its payroll and 235 on fixed term contracts. 450+ employees belonged to O&M and 155 belonged to the design and engineering team.

The Company has successfully implemented several digitisation initiatives such as proprietary computerised remote monitoring of solar plants and maintenance management using latest IoT technology and harnessing power of the cloud, implementing Success Factors HRMS, travel/expense management solutions like Concur, Health and Safety applications among many others, state-of-the-art software applications in forecasting and simulation of Solar Generation as well as Design Tools. The Company's comprehensive Business Continuity Planning policy ensures a robust IT policy is in place to keep employees fully productive even amidst the disruptive work environment caused by the pandemic. Cloud-based infrastructure keeps the entire value-chain updated on the status of all ongoing assignments. With growing importance of technologies such as IoT, AI, and ML in strategy making, the Company ensures adequate investment in digitisation. The Company regularly re-assesses its security policy, processes, and tools to ensure complete and adaptable IT Security amidst cyber-crime risks growing steadily.

Cautionary Statement

In the Management Discussion and Analysis, certain forward-looking statements describing the Company's objectives, projections, estimates and expectations, which are subject to several risks and uncertainties. These statements are made within the meaning of applicable laws and regulations and are based on informed judgements and estimates. Actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, ability to manage growth, changing competitive landscape in both domestic and international markets, ability to attract and retain highly skilled professionals, time and cost overruns on contracts, government policies and regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company.



Corporate Governance Report

The Board of Directors of your Company ("the Board") have pleasure in presenting the Company's Report on Corporate Governance, in accordance with the provisions of Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the Financial Year 2021-22.

Company's Philosophy on Corporate Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Corporate Governance also refers to a set of laws, regulations and good practices that enables an organisation to perform its business efficiently and ethically to generate long-term wealth and create value for all its stakeholders. Good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

At Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited), the Company continues to focus on good Corporate Governance which is in line with the best practices in the areas of Corporate Governance and oversees how the Management serves and protects the long-term interests of our stakeholders.

The objective of your Company is not only to meet the statutory requirements but to go beyond it by instituting such systems and procedures as are in accordance with the latest trend of making the Management completely transparent and institutionally sound. Your Company aims at implementing the philosophy of Corporate Governance by incorporating various fundamental principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure.

Your Company ensures adequate, timely and accurate disclosure on all material matters including the financial situation, performance and governance of your Company to the Stock Exchanges and the investors.

Board of Directors

The Board of Directors is at the helm of Company's Corporate Governance. The Board is the apex body constituted for overseeing your Company's overall functioning and provides and evaluates your Company's strategic directions, management policies and their effectiveness. The Board plays a crucial role in overseeing how the Management serves the short and long-term interests of Members and other stakeholders. The Board is responsible for and committed to upholding sound principles of Corporate Governance in your Company. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

A. Composition of the Board

The Board of your Company has an appropriate mix of Non-Executive and Independent Directors, including 2 Women Independent Directors, with varied professional background. Independent Directors help to maintain the independence of the Board and separate the Board functions of governance from business management. The composition of the Board represents an optimal mix of varied skills, experience and expertise from diverse backgrounds which enables the Board to collectively discharge its responsibilities and provide effective leadership to the business.

The composition of the Board is in conformity with provisions of Regulation 17 of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ("the Act").

During the year under review, Mr. Arif Saleh Doctor (DIN: 08390169) has stepped down from the position of Independent Director of the Company with effect from February 18, 2022, due to personal reasons. Mr. Arif Saleh Doctor has confirmed that, there is no material reason for demitting his office as Director of the Company other than as stated above.

Further, the Board of Directors of the Company, based on the recommendations of Nomination and Remuneration Committee of the Company have appointed Mr. Cherag Balsara (DIN: 07030974) as an Additional Director, designated as Non-Executive Independent Director of the Company for a period of 5 (Five) years commencing from March 29, 2022 to March 28, 2027.

In terms of the provisions of Sections 165 and 184 of the Act and Regulations 17A and 26 of the SEBI Listing Regulations, the Directors make necessary disclosures regarding the positions held by them on the Board and/ or Committees of other public and/or private companies, from time to time. On the basis of such disclosures, it is confirmed that as on the date of this Report, none of the Directors of your Company:

(a) hold directorship in more than 7 listed Companies;

(b) is a member of more than 10 Committees or Chairperson of more than 5 Committees (considering only Audit Committee and Stakeholders Relationship Committee) across all the public companies (listed or unlisted) in which he/ she is a Director; and

(c) is related to each other.

The Board of your Company is of the opinion that the Independent Directors fulfil the condition(s) specified in the SEBI Listing Regulations.

As on the date of this Report, your Company's Board comprises of 8 (Eight) Directors. The composition of the Board of Directors along with their shareholding in your Company, Directorships and Committee Memberships/ Chairmanships held in other Companies as on the date of this Report is as follows:

Name of the Director	Category of Directorship	No. of Equity Shares held in Company	Disclosure of Relationship between Directors inter-se	Number of other Directorships [1]	Name of other listed entities where Directorships held	Category of Directorship in other listed entities	No. of Board Committees[2] in which Chairperson/ Member	
							Chairperson	Member
Mr. Khurshed Daruvala DIN: 00216905	Promoter, Chairman and Non-Executive Director	1,13,84,544 (6.00%)	Nil	-	-	-	-	-
Mr. Bikesh Ogra[3] DIN: 08378235	Non-Executive Director	16,03,600 (0.85%)		-	-	-	-	-
Mr. Cherag Balsara DIN: 07030974	Non-Executive Independent Director	-		1	-	-	-	-
Mr. Keki Elavia DIN: 00003940	Non-Executive Independent Director	-		6	Britannia Industries Ltd. The Bombay Dyeing and Manufacturing Company Limited Dai-ichi Karkaria Limited Grindwell Norton Limited	Independent Director	4	7
Mr. Pallon Mistry DIN: 05229734	Member of Promoter Group and Non-Executive Director	7,20,000 (0.38%)		3	-	-	-	-
Ms. Rukhshana Mistry DIN: 08398795	Non-Executive Independent Director	-		-	-	-	-	-
Ms. Naina Krishna Murthy[4] (DIN: 01216114)	Non-Executive Independent Director	-		1	Indostar Capital Finance Limited	Independent Director	-	2
Mr. Balanadu Narayan[5] (DIN: 00007129)	Non-Executive Director	-		-	-	-	-	-
Mr. Saurabh Agarwal[5] (DIN: 09206293)	Non-Executive Director	-		5	-	-	-	-

Note(s):

(1) Excluding Directorships in private companies, foreign companies and companies which are formed under Section 25 of the Companies Act, 1956/ Section 8 of the Act.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Chairpersonship/ Membership of Committee only includes the Audit Committee and Stakeholders Relationship Committee in other Indian Public Companies (Listed and Unlisted).

(3) Mr. Bikesh Ogra ceased to be a Director of the Company effective April 07, 2022.

(4) Ms. Naina Krishna Murthy was appointed as Non-Executive Independent Director of the Company for a term of 5 (Five) consecutive years commencing from April 07, 2022 to April 06, 2027.

(5) Mr. Balanadu Narayan and Mr. Saurabh Agarwal were appointed as Non-Executive Non-Independent Directors of the Company with effect from April 07, 2022, subject to retirement by rotation.

Skills/ expertise/ competence of the Board of Directors is given below:

Sr. No.	Skills/ Expertise/ Competence	Comments	Names of the Directors who have skill/expertise/ competence
1	Industry knowledge and experience	Domain knowledge in business in which the Company participates. Must have the ability to leverage the developments in the areas of engineering and technology and other areas as suitable for the benefit of Company's business	1. Mr. Khurshed Daruvala 2. Mr. Pallon Mistry
2	Expertise/Experience in Finance& Accounts/ Audit	Ability to understand financial policies, accounting statements, disclosure practices and contribute to the financial policies/ practices of the Company	1. Mr. Khurshed Daruvala 2. Mr. Keki Elavia 3. Ms. Rukhshana Mistry 4. Mr. Saurabh Agarwal
3	Expertise/Experience in Risk Management areas	Knowledge of Risk management policies/ practices of the Company and ability to provide necessary guidance to mitigate the risks across the geography of operations of the Company	1. Mr. Khurshed Daruvala 2. Mr. Balanadu Narayan 3. Mr. Keki Elavia 4. Mr. Pallon Mistry 5. Mr. Saurabh Agarwal
4	Planning and Strategic expertise	Guiding in planning and decision making to survive uncertain circumstances	1. Mr. Khurshed Daruvala 2. Mr. Pallon Mistry 3. Mr. Saurabh Agarwal 4. Mr. Balanadu Narayan
5	Governance including legal compliance	Supports the Company's governance policies/ practices. Possesses an understanding of the relevant laws, rules, regulation and policy.	1. Mr. Cherag Balsara 2. Mr. Keki Elavia 3. Ms. Rukhshana Mistry 4. Ms. Naina Krishna Murthy

B. Detail(s) of Directors

All Directors, except the Independent Directors of the Company, are liable to retire by rotation each year at the Annual General Meeting and, if eligible, offer themselves for re-election.

In compliance with Regulation 36(3) of the SEBI Listing Regulations, the details of the Director proposed to be re-appointed are given in the Notice convening the ensuing Annual General Meeting.

C. Details of Meetings of Board of Directors and Annual General Meeting held during the period under review, along with attendance of Directors

The Board meets at regular intervals, to decide on strategies and policies and at least once in a quarter to consider among other businesses, quarterly performance of the Company and financial results of the Company. The next meetings of the Board are decided in the previous meetings to facilitate the Directors to plan their schedules accordingly. Additional meetings are held, if deemed necessary, to conduct business. The Board has accepted all the recommendations of the Committees of the Board of Directors during the Financial Year 2021-22.

Video-conferencing facilities are made available to facilitate Directors present at other locations, in case they wish to participate in the meetings virtually. The same is conducted in compliance with the applicable laws.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director in compliance with the applicable laws.

With a view to leverage innovation and technology and reducing paper consumption, your Company has adopted a web-based application for transmitting the Board and Committee agenda, draft minutes and other meeting related documents. The Directors of the Company receive the agenda along with the relevant notes in electronic form through this application, which can be accessed through web browsers or iPads. The application meets high standards of security and integrity that is required for storage and transmission of Board/ Committee agendas in electronic form.

Information placed before the Board

To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information that is required to be made available to the Directors in terms of provisions of the SEBI Listing Regulations and the Act, so far as applicable to the Company, is made available to the Board.

Action taken/ status reports on decisions of the previous meeting(s) are placed at the next meeting(s) for information and further recommended actions, if any.

Number of Board Meetings

The Board met 9 (Nine) times during the Financial Year 2021-22 i.e. April 07, 2021, June 29, 2021, July 29, 2021, August 14, 2021, October 10, 2021, November 13, 2021, December 30, 2021, February 14, 2022 and March 29, 2022. The meetings were attended by all Directors except Mr. Pallon Mistry to whom leave of absence was granted for the meetings held on August 14, 2021, October 10, 2021, November 13, 2021 and December 30, 2021 and Mr. Bikesh Ogra to whom leave of absence was granted for the meeting held on December 30, 2021.

The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act and Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards-1 issued by the Institute of Company Secretaries of India. The necessary quorum was present for all the meetings.

Details of attendance of each Director at the Board meetings/Annual General Meeting ("AGM") held during the Financial year 2021-22 are as follows:

Name of the Director	Attendance at	
	Board Meeting	4th AGM
Mr. Khurshed Daruvala	9 out of 9	Yes
Mr. Arif Doctor[1]	8 out of 8	Yes
Mr. Bikesh Ogra	8 out of 9	Yes
Mr. Keki Elavia	9 out of 9	Yes
Mr. Pallon Mistry	5 out of 9	Yes
Ms. Rukhshana Mistry	9 out of 9	Yes
Mr. Cherag Balsara[2]	-	-

Notes:

(1) *Mr. Arif Doctor, Independent Director resigned from the Board of Directors of the Company w.e.f. February 18, 2022. 8 (Eight) Board Meetings were held during his tenure.*

(2) *Mr. Cherag Balsara has been appointed as Non-Executive Independent Director of the Company, for a period of 5 (Five) years commencing from March 29, 2022 to March 28, 2027.*

D. Independent Directors

The Independent Directors bring an independent judgment to the Board and play an essential role in ensuring transparency in the working mechanism of the Company.

The Independent Directors on the Board of your Company are experienced, competent and highly respected individuals in their respective fields, which brings an ideal mixture of expertise, professionalism, knowledge and experience to the table.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the Management. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Separate meeting of Independent Directors

In compliance with Regulation 25(3) of the SEBI Listing Regulations and Schedule IV to the Act, the Independent Directors met once during the year, on March 29, 2022 without the presence of Non-Independent Directors. The Independent Directors, *inter alia*,

1) Reviewed the performance of:

   (a) Board as a whole;

   (b) Non-Independent Directors; and

   (c) Chairman of the Company

2) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present for the meeting.

E. Board Induction, Training and Familiarisation

An appointment letter is issued to the Independent Directors of your Company which *inter alia* states the roles, responsibilities and the fiduciary duties and the accompanying liabilities that come with their appointment.

The letter of appointment setting out the terms of appointment, role, rights, duties and responsibilities is issued to the Independent Directors at the time of their appointment along with a set of documents such as snapshot of your Company, policies adopted by the Board, Company's major activities, corporate presentations etc., which enables him/ her to have an adequate and fair idea about your Company, its Board of Directors, the Management, various Codes of Conduct and Policies applicable to your Company etc.

Your Company through its senior managerial personnel/ officials conducts programs/ presentations to familiarize the existing Directors as well as new Directors with the strategy, operations and functions of your Company. Such programs/ presentations provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and helps them to understand the Company's strategy, business model, operations, markets, organization structure, finance, human resources, technology and risk management and such other areas as may arise from time to time.

The Board has adopted a Policy on Familiarization Programme for the Independent Directors which aims to provide significant insight into the business of the Company. The details of the Familiarisation Programmes for Independent Directors are also available on the website of the Company i.e. https://www.sterlingandwilsonre.com/investor-relations/reg-46-of-lodr

Committees of the Board

The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the SEBI Listing Regulations. The Board Committees play a vital role in improving the Board's effectiveness in the areas where more focused and extensive discussions are required. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees operate as the Board's empowered agents according to their charter/ terms of reference.

The Board has constituted the below mentioned Committees:

a) Audit Committee
b) Corporate Social Responsibility Committee
c) Management Committee
d) Nomination and Remuneration Committee
e) Risk Management Committee
f) Stakeholders Relationship Committee

The Committees are represented by a combination of Non-Executive and Independent Directors except for Management Committee which consists of KMP as members of the Committee in additions to Non-Executive Director. The Board Committees play a vital role in improving the Board effectiveness in the areas where more focused and extensive discussions are required.

The Committee(s) meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The recommendations of the Committee(s) are submitted to the Board for its approval.

Minutes of proceedings of Committees meetings are circulated to the respective Committee members and placed before the Board meetings for noting.

A. Audit Committee:

(i) **Brief description:**

Audit Committee of the Board of Directors is entrusted *inter alia* with the responsibility to supervise the Company's internal controls and financial reporting process.

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

All the members of the Audit Committee are financially literate and possess expertise in the fields of accounting and financial management.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 3 (Three) Members out of which 2 (Two) are Independent Directors.

Name of Member	Category	Position held	No. of Meetings held during the financial year 2021-22	No. of Meetings attended during the financial year 2021-22
Ms. Rukhshana Mistry	Non-Executive Independent Director	Chairperson	7	7
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Member	7	7
Mr. Keki Elavia	Non-Executive Independent Director	Member	7	7

During the year under review, the Audit Committee met 7 (Seven) times i.e. on June 28, 2021, August 14, 2021, October 10, 2021, November 12, 2021, December 30, 2021, February 14, 2022 and March 29, 2022.

The Chief Financial Officer is invited to attend meetings of the Committee. The Committee also invites Representatives of the Statutory Auditors and Internal Auditors as and when their presence at the meeting of the Committee is considered appropriate.

Ms. Rukhshana Mistry, Chairperson of the Committee was present at the 4th AGM of your Company held on September 30, 2021, to answer the queries of the Members of the Company.

Mr. Jagannadha Rao Ch. V., Company Secretary & Compliance Officer of the Company acts as the Secretary to the Audit Committee.

(iii) Terms of Reference:

The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

The scope, functions and terms of reference of the Audit Committee *inter alia* cover the following matters:

(i) The Audit Committee shall have powers, which include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information from any employee of the Company;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and

(e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statements and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by the Management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Valuation of undertakings or assets of the Company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (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;

(w) To appoint a person having such qualifications and experience as a registered valuer for valuation, if required to be made, in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a Company or its liabilities, in such manner, on such terms and conditions as may be prescribed;

(x) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;

(y) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(z) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(aa) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(bb) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;

(cc) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

(dd) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management of the Company;

(c) Management letters/ letters of internal control weaknesses issued by the statutory auditors of the Company;

(d) Internal audit reports relating to internal control weaknesses;

(e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(f) Statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

ii. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and

(g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

B. Nomination and Remuneration Committee:

(i) Brief description:

The Nomination and Remuneration Committee of the Board of Directors ("NRC") *inter alia* discharges the Board's responsibilities relating to approval and evaluation of the compensation plans, policies and programmes for Directors, Key Managerial Personnel ("KMP"), senior management and other employees. It also specifies the methodology for effective evaluation of performance of the Board, its Committees and individual Directors.

The Composition of NRC is in accordance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 3 (Three) Members out of which 2 (Two) are Independent Directors.

Name of Member	Category	Position held	No. of Meetings held during the financial year 2021-22	No. of Meetings attended during the financial year 2021-22
Mr. Keki Elavia	Non-Executive Independent Director	Chairman	4	4
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Member	4	4
Ms. Rukhshana Mistry	Non-Executive Independent Director	Member	4	4

During the year under review, the NRC met 4 (Four) times i.e. on June 28, 2021, August 14, 2021, October 18, 2021 and March 29, 2022.

Mr. Keki Elavia, Chairman of the Committee was present at the 4th AGM of your Company held on September 30, 2021, to answer the queries of the Members of the Company.

Mr. Jagannadha Rao Ch. V., Company Secretary & Compliance officer of the Company acts as the Secretary to the NRC.

(iii) Terms of Reference:

The broad terms of reference of the NRC, as approved by the Board in terms of the Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, *inter alia*, include the following:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(i) For every appointment of an independent director, the NRC 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:

- use the services of external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

(b) Formulation of criteria for evaluation of performance of independent directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become directors of the Company 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). The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(e) Analysing, monitoring and reviewing various human resource and compensation matters;

(f) 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;

(g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(i) Determining whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors;

(j) Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

(k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(l) Administering any employee stock option scheme/ plan, employee stock purchase scheme, stock appreciation rights scheme, general employee benefits scheme and retirement benefit scheme, approved by the Board and shareholders of the Company in accordance with the terms of such scheme/ plan ("ESOP Scheme");

(m) Delegating the administration and superintendence of the ESOP Schemes to any trust set up with respect to the ESOP Schemes;

(n) Formulating detailed terms and conditions for the ESOP Schemes including provisions specified by the Board of Directors of the Company in this regard;

(o) Determining the eligibility of employees to participate under the ESOP Scheme;

(p) Granting options to eligible employees and determining the date of grant;

(q) Determining the number of options to be granted to an employee;

(r) Determining the exercise price under the ESOP Scheme;

(s) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(t) Framing 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, as amended; and

b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable.

(u) Performing such other activities as may be delegated by the Board of Directors and/ or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and

(v) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

(iv) Nomination and Remuneration Policy:

In terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Board of your Company had, on recommendation of NRC, adopted a Nomination and Remuneration Policy, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

The said policy is available on the website of the Company i.e. www.sterlingandwilsonre.com

Remuneration to Directors:

In terms of the provisions of the Act and in line with the Articles of Association of your Company, the Non-Executive Directors including Independent Directors are paid sitting fees on a uniform basis for attending various meetings of the Board and the Committees thereof.

Name of Director	Sitting Fees[1] paid (Amount in ₹)
Mr. Khurshed Daruvala	16,70,000
Mr. Arif Doctor[2]	8,50,000
Mr. Bikesh Ogra	8,50,000
Mr. Keki Elavia	16,50,000
Mr. Pallon Mistry	6,60,000
Ms. Rukhshana Mistry	15,95,000
Mr. Cherag Balsara [3]	Nil
Total	**72,75,000**

Notes:

(1) Gross amount (before deducting TDS).

(2) Mr. Arif Doctor, Independent Director resigned from the Board of Directors of the Company w.e.f. February 18, 2022.

(3) Mr. Cherag Balsara has been appointed as an Independent Director of the Company w.e.f. March 29, 2022. Sitting fees will be paid to Mr. Baslara for the Board/ Committee meetings held after April 01, 2022.

The Company does not have any Executive Directors. No salary, benefits, bonuses, pension etc. is paid to any of the Non-Executive Directors.

Details of fixed component and performance linked incentives along with the performance criteria

Other than sitting fee(s) to the Directors, no fixed component or performance linked incentives have been paid to any of the Directors during the financial year 2021-22.

Service contracts, notice period, severance fees

A separate service contract is not entered into by the Company with any of its Directors. No notice period or severance fee is payable to any Director.

Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

No Stock Options have been granted to any Directors.

The Non-Executive Directors including Independent Directors are also eligible to receive remuneration by way of commission as the Board may decide from time to time. No Commission was paid during the Financial Year 2021-22.

The Non-Executive Directors and Independent Directors do not have any material pecuniary relationship or transactions with the Company.

(v) **Performance evaluation criteria for Independent Directors:**

The Nomination and Remuneration Policy of the Company has prescribed the following evaluation criteria for performance evaluation of Independent Directors of the Company:

(a) act objectively and constructively while exercising their duties;

(b) exercise their responsibilities in a bona fide manner in the interest of the Company;

(c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;

(d) do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

(e) refrain from any action that would lead to loss of his independence;

(f) inform the Board immediately when they lose their independence;

(g) assist the Company in implementing the best corporate governance practices;

(h) strive to attend all meetings of the Board of Directors and the Committees;

(i) participate constructively and actively in the Committees of the Board in which they are members;

(j) strive to attend the Board, Committee and general meetings of the Company;

(k) keep themselves well informed about the Company and the external environment in which it operates;

(l) do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;

(m) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between Management and shareholder's interest;

(n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

C. Stakeholders Relationship Committee:

(i) **Brief description:**

The Stakeholders Relationship Committee is *inter alia* entrusted with the responsibility of resolving the grievances of the security holders of the Company including complaints related to non-receipt of annual report, non-receipt of declared dividends, general meetings etc.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 3 (Three) Members out of which 1 (One) is an Independent Director.

Name of Member	Category	Position held	No. of Meetings held during the financial year 2021-22	No. of Meetings attended during the financial year 2021-22
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Chairman	2	2
Mr. Pallon Mistry	Non-Executive Director	Member	2	1
Ms. Rukhshana Mistry	Non-Executive Independent Director	Member	2	2

During the year under review, the Committee met 2 (Two) times, i.e. on August 14, 2021 and February 14, 2022. Mr. Pallon Mistry was granted leave of absence for the meeting held on August 14, 2021.

Mr. Khurshed Daruvala, Chairman of the Committee was present at the 4th AGM held on September 30, 2021 to answer the queries of the Members of the Company.

(iii) Terms of Reference:

In terms of the applicable provisions of the Act and Regulation 20(4) read with Part D of Schedule II of the SEBI Listing Regulations, the scope, functions and terms of reference of the Committee *inter alia* cover the following matters:

(a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints;

(b) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(d) Giving effect to all transfer/ transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(e) Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(g) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations or other applicable law, or by any other regulatory authority.

(iv) Name and Designation of Compliance Officer

Mr. Jagannadha Rao Ch. V., Company Secretary is the Compliance Officer of the Company in terms of Regulation 6 of the SEBI Listing Regulations.

(v) Shareholders' complaints:

During the year under review, your Company received Nil complaints from the Shareholders. The status thereof as on March 31, 2022, are tabled herein below:

Sr. No.	Particulars	No.
1	No. of complaints pending at the beginning of the Financial Year 2021-22	-
2	No. of complaints received during the Financial Year 2021-22	-
3	No. of complaints resolved to the satisfaction of shareholders during the Financial Year 2021-22	-
4	No. of complaints pending to be resolved at the end of the Financial Year 2021-22	-
	Total	**-**

D. Corporate Social Responsibility Committee:

(i) Brief description:

The Board of your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee") in terms of the provisions of Section 135 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 135 of the Act.

The Committee is *inter alia* entrusted with the responsibility of monitoring and implementation of the CSR projects/ programmes/ activities of your Company and also for approving the annual CSR Budget, implementation of CSR projects and other related activities.

(ii) Composition, Meeting and Attendance:

The Committee comprises of 3 (Three) Members out of which 1 (One) is an Independent Director.

Name of Member	Category	Position held	No. of Meetings held during the financial year 2021-22	No. of Meetings attended during the financial year 2021-22
Mr. Keki Elavia	Non-Executive Independent Director	Chairman	4	4
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Member	4	3
Mr. Pallon Mistry	Non-Executive Director	Member	4	4

During the year under review, the Corporate Social Responsibility Committee met 4 (Four) times, i.e.on June 28, 2021, February 14, 2022, February 24, 2022 and March 29, 2022. Mr. Khurshed Yazdi Daruvala was granted leave of absence for the meeting held on February 24, 2022.

(iii) Terms of Reference:

The scope and functions of the CSR Committee are in accordance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and terms of reference of CSR Committee *inter alia* includes following:

(a) To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(e) To review and monitor the implementation of the corporate social responsibility policy, corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(f) To formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR policy and have an oversight over its implementation;

(g) To review the impact assessment carried out for the projects of the Company, if applicable, as per the requirements of the law;

(h) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

E. Risk Management Committee:

(i) Brief description:

Pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations, the Risk Management Committee of the Company was constituted on June 23, 2020 for *inter alia* evaluating and monitoring key risks including strategic, operational, financial, cyber security and compliance risks & framing, implementing, monitoring and reviewing Risk Management plan, policies, systems and framework of the Company.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 6 (Six) Members out of which 3 (Three) are Independent Directors.

Name of Member	Category	Position held	No. of Meetings held during the financial year 2021-22	No. of Meetings attended during the financial year 2021-22
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Chairman	2	2
Mr. Arif Doctor[1]	Non-Executive Independent Director	Member	2	2
Mr. Bikesh Ogra [2]	Non-Executive Director	Member	2	2
Mr. Keki Elavia	Non-Executive Independent Director	Member	2	1
Mr. Pallon Mistry	Non-Executive Director	Member	2	2
Ms. Rukhshana Mistry	Non-Executive Independent Director	Member	2	2
Mr. Cherag Balsara	Non-Executive Independent Director	Member	2	N.A.[3]

Note(s):

(1) Mr. Arif Doctor, Independent Director resigned from the Board of Directors of the Company w.e.f. February 18, 2022 and consequently ceased to be member of the Risk Management Committee.

(2) Mr. Bikesh Ogra, Non-Executive Director resigned from the Board of Directors of the Company w.e.f. April 07, 2022 and consequently ceased to be a member of the Risk Management Committee.

(3) Mr. Cherag Balsara was appointed as a Member of the Risk Management Committee on March 29, 2022.

During the year under review, the Risk Management Committee met 2 (Two) times i.e. on June 28, 2021 and December 23, 2021. Mr. Keki Elavia was granted leave of absence for the meeting held on December 23, 2021.

(iii) Terms of Reference:

In terms of the applicable provisions of the Act and Regulation 21 of the SEBI Listing Regulations, the scope, functions and terms of reference of the Risk Management Committee *inter alia* cover the following matters

1) To formulate a detailed risk management policy which shall include:

   a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(7) The Risk Management Committee shall coordinate its activities with other Committees, instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

F. Management Committee:

(i) Brief description:

The Board of your Company has constituted a Management Committee for the day to day business activities of the Company which includes issuance of Power of Attorneys and resolution in relation to tenders, management of projects in India and abroad, opening/closing and operation of Bank Account(s), availing financial assistance from bank(s) and /or institution(s), opening of branch offices of the Company in various geographies, investment in subsidiaries of the Company and such other miscellaneous matters.

(ii) Composition, Meetings and Attendance:

The Composition of the Committee is as follows:

Name of Member	Category	Position held	No. of Meetings held during the financial year 2021-22	No. of Meetings attended during the financial year 2021-22
Mr. Khurshed Daruvala	Chairman and Non-executive Director	Chairman	11	10
Mr. Bikesh Ogra[1]	Non-Executive Director	Member	11	11
Mr. Chandra Kishore Thakur	Manager	Member	11	11
Mr. Bahadur Dastoor	Chief Financial Officer	Member	11	11
Mr. Jagannadha Rao Ch. V.	Company Secretary	Member	11	11

Note:

(1) Mr. Bikesh Ogra, Non-Executive Director resigned from the Board of Directors of the Company w.e.f. April 07, 2022 and consequently ceased to be a member of the Management Committee.

During the year under review, the Management Committee met 11 (Eleven) times on April 27, 2021, July 05, 2021, July 29, 2021, August 14, 2021, October 18, 2021, November 08, 2021, November 17, 2021, December 23, 2021, February 02, 2022, February 24, 2022 and March 29, 2022. Mr. Khurshed Yazdi Daruvala was granted leave of absence for the meeting held on February 24, 2022.

(iii) Terms of Reference:

The terms of reference of Management Committee *inter alia* includes following:

1. Issue power of attorney(ies) to authorize the representatives/employees of the Company in relation to tenders, branch offices(s) or project site office(s) operational requirements, execution and/or operations of contracts/ projects, excise, customs and shipping matters, financial and taxation matters, matters related to income tax, service tax, sales tax, GST and excise matters and other Central and State laws and such other purposes relating to day-to-day operations of the Company;

2. Approve issuance of corporate guarantees as may be required in the ordinary course of business of the Company;

3. Approve the opening/closure of Branch Office(s) of the Company in India or outside India in connection with the business of the Company and to do all such other acts in relation to the Branch Office(s) of the Company;

4. Approve and pass necessary Resolutions relating to following matters:

   a. To open, authorize to operate, modify the operating authorities, issue necessary instructions to banks and

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close various Bank Account(s) in the name of the Company as per the business requirements;

b. To transact foreign exchange swaps, options, futures, forwards and any other derivatives, as permissible by the Board of Directors, that may from time to time be used as tools to hedge the Company's interest and foreign exchange exposures arising in the ordinary course of the business of the Company and to approve policies in this regard;

c. Enter into one or more transactions/ agreements with Banks and/ or Exchange Houses in domestic and international market(s) relating to futures, forward, options, swaps etc., and combination(s) thereof, as per the requirements in the ordinary course of the business of the Company and in accordance with provisions of the Reserve Bank of India Act 1945 and any other laws as may be applicable and guidelines, notifications, circulars, regulations or approval(s) etc. issued from time to time by any regulatory authority;

d. To approve borrowing by way of long term or short term loans, inter corporate deposits or any kind of financial assistance and fund and/ or non-fund based working capital credit facility(ies) repayable on demand / temporary or otherwise, in any currency, from bank(s) and/ or institution (s) and/ or other lenders from time to time and to create charge / security / mortgage on the immovable/ movable properties of the Company to secure such loans/ inter corporate deposits/ financial assistance/credit facility (ies) as may be required in terms of each of the sanctions by the said bank(s) and/ or financial institution(s) and/ or other lenders, subject to an overall limit of ₹ 15,000 Crore (Rupees Fifteen Thousand Crore only);

e. To authorize employee(s) / representative(s) of the Company for executing various deeds, documents, papers, undertakings as may be required for the purpose of implementing the decision for investment in the shares of subsidiary(ies) (including stepdown subsidiary(ies)) and/or Joint Venture(s) of the Company, granting loans to them, issuing guarantees or providing any security in respect of financial assistance availed by such subsidiary(ies) (including stepdown subsidiary(ies)) and/or Joint Venture(s), within the overall limit of ₹ 5,000 Crore (Rupees Five Thousand Crore only), subject to recommendation of the Chief Financial Officer and such other compliances and approvals as may be necessary;

f. To authorise the employee(s) / representative(s) for the purpose of bidding and execution of the project(s) undertaken in consortium, joint venture and also to authorise the employee(s) / representative(s) to sign Memorandum of Understanding, Consortium Agreement, Joint Venture agreement, such other documents required to be signed on behalf of the Company and enter into liability against the Company and/or do any other act on behalf of the Company, required for the above said purpose;

5. Approve all other matters & issues of urgent nature arising in the ordinary course of the business of the Company.

General Body Meetings

A. Annual General Meetings:

Details of location, date, time and special resolutions passed in previous three Annual General Meetings of the Company, are tabled hereinbelow:

Financial Year	AGM	Location	Date	Time (IST)	Particulars of Special Resolution(s) passed
2018-19	2nd	9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur (West), Mumbai 400 043, Maharashtra, India	August 14, 2019	03:00 p.m.	Revision in remuneration of Mr. Kannan K., Manager with effect from April 01, 2019.
2019-20	3rd	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 30, 2020	11:30 a.m.	Continuation of the term of Mr. Keki Elavia as an Independent Director of the Company
2020-21	4th	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 30, 2021	04:30 p.m.	Change in name of the Company from Sterling and Wilson Solar Limited to "Sterling and Wilson Renewable Energy Limited" and consequent amendment to Memorandum and Articles of Association of the Company

B. Extra-Ordinary General Meeting:

During the year under review, 1 (One) Extra-Ordinary General Meeting of the Company was held on November 02, 2021 at 02:30 p.m. through Video Conferencing/ Other Audio-Visual means. The special resolution passed during the meeting was to create, offer, issue and allot Equity Shares on a private placement/ preferential basis to Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited).

C. Postal Ballot:

During the year under review, the Company completed the process of 2 (two) postal ballots as per the provisions of Section 110 of the Act and various MCA and SEBI circulars through electronic voting ("remote e-voting").

Postal Ballot Notice dated April 30, 2021:

Particulars	No. of votes polled	No. and % of votes in favour	No. and % of votes against
Special Resolution: Approval of Sterling and Wilson Solar Limited Employee Stock Option Plan.	11,69,33,328	10,46,76,068 (89.52%)	1,22,57,260 (10.48%)
Special Resolution: To extend the benefits of the Sterling and Wilson Solar Limited Employee Stock Option Plan to its employees, including the employees of branches/subsidiary companies of the Company, within or outside India.	11,69,35,054	10,46,75,702 (89.52%)	1,22,59,352 (10.48%)

Postal Ballot Notice dated July 29, 2021:

Particulars	No. of votes polled	No. and % of votes in favour	No. and % of votes against
Special Resolution: Alteration of the Object Clause of the Memorandum of Association of the Company.	12,34,20,339	12,33,95,993 (99.98%)	24,346 (0.02)

Procedure for Postal Ballot:

In compliance with Regulation 44 of SEBI Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the Company provided the remote e-voting facility only, to enable all its Members to cast their votes electronically instead of through physical Postal Ballot Forms. For the purpose of remote e-voting, the Company engaged the services of National Securities Depository Limited ("NSDL"). Members were required to vote through the remote e-voting platform provided by NSDL.

Members whose names appeared in the Register of Members/ List of Beneficial Owners as on the cut-off date, were considered eligible for the purpose of remote e-voting. Voting rights of the Members were in proportion to the Equity Shares held by them in the paid-up equity share capital of the Company as on the cut-off date.

After completion of scrutiny of the remote e-voting, Mr. Mannish L Ghia, Partner of M/s Manish Ghia and Associates, the Scrutinizer submitted his report to the Chairman of the Company. The results of the remote e-voting conducted through Postal Ballot and the Scrutinizer's Report are displayed on the Company's website, i.e. www.sterlingandwilsonre.com. The results were simultaneously communicated to the Stock Exchanges where the Equity Shares of the Company are listed.

Means of Communication

The Company follows a robust process of communicating with its stakeholders and investors. For this purpose, it provides multiple channels of communications through dissemination of information on the on-line portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.

The means of communication between the Company and the Shareholders is transparent and investor friendly and the Company takes all possible endeavours to inform its stakeholders about every material information having bearing on the performance and operations of the Company and other price sensitive information.

Financial Results: The quarterly/ half yearly/ annual results alongwith the Limited Review/ Auditor's Report thereon, as applicable are filed with the BSE Limited and the National Stock Exchange of India Limited.

The said results are also published in prominent daily newspapers viz. The Financial Express and Navshakti. The results are also uploaded on the Company's website, i.e. www.sterlingandwilsonre.com.

Website: The Company's website i.e. www.sterlingandwilsonre.com contains a separate dedicated section 'INVESTOR RELATIONS' where shareholder information including official news releases are available. The schedule of analyst/ institutional investor meets and presentations made to them on a quarterly basis are informed to the Stock Exchanges and also displayed on the Company's website.

Corporate Filings: Information to Stock Exchanges is filed electronically on the online portals of BSE Limited and National Stock Exchange of India Limited. The same are available on the websites of BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of the Company at www.sterlingandwilsonre.com.

SEBI SCORES: As stated in the SEBI circular dated March 26, 2018, whereby SEBI has issued new policy measures with respect to SEBI Complaints Redress System (SCORES), shareholders are requested to approach the Company directly at the first instance for their grievances.

A facility has been provided by SEBI for investors to place their complaints/ grievances on a centralised web-based complaints redress system viz. SCORES. The salient features of this system are centralised database of all complaints, on-line upload of Action Taken Reports (ATRs) by the concerned companies and on-line viewing by investors of actions taken on the complaints and their current status.

General Shareholder Information

Your Company has provided the details required under this as a separate section on "General Shareholder Information", which forms a part of this Annual Report.

Other Disclosures

a. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years**

There has been no penalties or strictures imposed on your Company by SEBI or the Stock Exchanges or any statutory authority on any matter related to the capital markets, during the last 3 years. Please note that the Equity Shares of the Company were listed on the Stock Exchanges on August 20, 2019.

b. **Policy on Related Party Transactions:**

In terms of the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has framed a Policy on Related Party Transactions to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

The policy is also available on the website of the Company, at https://www.sterlingandwilsonre.com/investor-relations/reg-46-of-lodr

c. **Details of materially significant related party transactions that may have potential conflict with the interests of the Company at large**

All the Related Party Transactions ("RPTs") entered into by your Company, during the Financial Year 2021-22, were at arm's length and in the ordinary course of business of the Company. There were no material significant transactions made by the Company with its Promoters, Directors or Management, and their relatives etc. that may have potential conflict with the interest of the Company at large.

d. **Vigil Mechanism/ Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee**

Your Company has in place a robust Vigil Mechanism for reporting of concerns through the Whistle Blower Policy of the Company, which is in compliance with the provisions of Section 177 of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the SEBI Listing Regulations and other SEBI Regulations. This Policy aims to provide an avenue for Employee(s), Director(s) and Stakeholder(s) to raise their concerns that could have grave impact on the operations, performance, value and the reputation of the Company and it also empowers the Audit Committee of the Board of Directors to investigate the concerns raised by them.

During the year under review, none of the personnel have been denied access to the Audit Committee.

The policy is available on the website of the Company, at https://www.sterlingandwilsonre.com/investor-relations/reg-46-of-lodr

e. **Policy for Determining Material Subsidiary Companies:**

In terms of Regulation 16(1)(c) of SEBI Listing Regulations, the Company has 3 (Three) unlisted material subsidiaries as on March 31, 2022 viz. Sterling and Wilson International Solar FZCO, Sterling and Wilson Solar Australia Pty. Ltd and Sterling and Wilson Solar Solutions LLC.

The Company has formulated a Policy for Determining Material Subsidiaries, which is disclosed on the Company's website and can be accessed at: https://www.sterlingandwilsonre.com/investor-relations/reg-46-of-lodr

f. **Commodity Price Risk and Commodity hedging activities**

Your Company does not engage in Commodity hedging activities.

g. **Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

In addition to the same, your Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of the SEBI Listing Regulations, to the extent applicable:

- The Company has separate persons to the post of Chairman and Manager. The Company does not have a Managing Director or CEO.
- The Chairman, being a Non-Executive Director, is entitled to maintain a Chairperson's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.
- The Internal Auditor reports directly to the Audit Committee in all matters relating to Internal Audit.

h. **Details of utilization of funds raised through preferential allotment or qualified institutions placement**

On December 30, 2021, your Company has issued 2,93,33,333 (Two Crore Ninety Three Lakh Thirty Three Thousand Three Hundred and Thirty Three only) equity shares of face value of ₹ 1/- each fully paid up, for cash, at a price of ₹ 375/-, for an aggregate amount of ₹ 1,099,99,99,875/- (Rupees One Thousand Ninety Nine Crore Ninety Nine Lakh Ninety Nine Thousand Eight Hundred and Seventy Five only) on preferential basis to Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited).

The details of utilization of funds through preferential allotment is as follows:

Amount raised (as on December 30, 2021)	₹ 1,100 Crore
Funds Utilized	₹ 949.63 Crore
Balance Funds as on March 31, 2022	₹ 150.37 Crore

i. **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.**

The Company has obtained a certificate from Manish Ghia & Associates, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed separately at the end of this Report.

j. **Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

M/s. B S R & Co. LLP, Chartered Accountants, vide their letter dated August 11, 2021, had resigned as Statutory Auditors of the Company effective from conclusion of the Board meeting of the Company scheduled on August 14, 2021, on issuance of Limited Review Report on the Standalone and Consolidated Financial Results for the quarter ended June 30, 2021.

Total fees of ₹ 16 Lakhs has been paid by the Company on a consolidated basis to M/s. B S R & Co. LLP, Statutory Auditors and all the entities in the network firm/network entity of which the Statutory auditor is a part, for all the services provided by them till the quarter ended June 30, 2021.

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants ("K&M") have been appointed as Statutory Auditors of the Company for a period of 5 (Five) consecutive years from the conclusion of 4th AGM till the conclusion of 9th AGM on such terms and conditions as may be fixed by the Board in mutual consultation with the Statutory Auditor.

Total fees of ₹ 95 Lakhs has been paid by the Company on a consolidated basis to K&M, Statutory Auditors and all the entities in the network firm/network entity of which the Statutory auditor is a part, for all the services provided by them for F.Y. 2021-22.

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

Your Company has always believed in providing a safe and harassment free workplace for every individual working in any office through various interventions and practices. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Committee (IC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. IC has its presence at corporate office as well as at site locations.

The details of complaints related to Sexual Harassment are provided below:-

Sr. No.	Particulars	No. of Complaints
1	Number of complaints filed during the F.Y. 2021-22	-
2	Number of complaints disposed of during the F.Y. 2021-22	-
3	Number of complaints pending as on end of the F.Y. 2021-22	-

CEO/ CFO CERTIFICATION

As required under the provisions of Regulation 33 of the SEBI Listing Regulations, Mr. Chandra Kishore Thakur, Manager and Mr. Bahadur Dastoor, Chief Financial Officer of the Company have reviewed the Audited Financial Statements and Cash Flow Statements for the Financial Year ended March 31, 2022 and accordingly have provided a certificate, which is enclosed separately at the end of this Report.

Your Company does not have a CEO and hence the certificate is provided by the Manager of the Company.

REPORT ON CORPORATE GOVERNANCE

As required under Regulation 27 of the SEBI Listing Regulations, your Company has been duly submitting the quarterly compliance report in the prescribed format and within the required timelines to the Stock Exchanges and the same are available on their websites. The said reports are also available on the website of the Company, i.e. www.sterlingandwilsonre.com.

The Compliance Certificate received from Manish Ghia & Associates regarding compliance of Corporate Governance requirements is enclosed as an annexure to the Directors' Report.

Further, your Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and sub paras (2) to (10) of Part C of Schedule V of SEBI Listing Regulations and the same has been disclosed in this Report.

CEO-CFO CERTIFICATION

To the Board of Directors
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)

(1) We have reviewed the Audited Financial Statements and the cash flow statement of Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited) ("Company") for the Financial Year ended on March 31, 2022 and to the best of our knowledge and belief:

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

II. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on March 31, 2022 which are fraudulent, illegal or violative of the Code of Conduct of the Company

(3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.

(4) We have indicated to the Auditors and the Audit Committee:

I. significant changes in the Company's internal control over financial reporting, during the Financial Year ended on March 31, 2022;

II. significant changes in accounting policies, if any, during the Financial Year ended on March 31, 2022 have been disclosed in the notes to the Financial Statements; and

III. instances of significant fraud of which we have become aware and involvement therein, if any, of the Management or other employees having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : April 07, 2022

Chandra Kishore Thakur
Manager

Bahadur Dastoor
Chief Financial Officer

DECLARATION

As provided under the provisions of Schedule II and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed the Compliance with the Code of Conduct for the year ended March 31, 2022.

Place : Mumbai
Date : April 07, 2022

Khurshed Daruvala
Chairman

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Sterling and Wilson Renewable Energy Limited
9th Floor, Universal Majestic,
P L Lokhande Marg,
Chembur – West,
Mumbai-400043

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sterling and Wilson Renewable Energy Limited** (formerly known as Sterling and Wilson Solar Limited) having CIN: L74999MH2017PLC292281 and having registered office at 9th Floor, Universal Majestic, P L Lokhande Marg, Chembur – West, Mumbai-400043 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Khurshed Yazdi Daruvala	00216905	25/04/2018
2	Mr. Pallon Shapoorji Mistry	05229734	02/08/2018
3	Mr. Bikesh Ogra	08378235	27/03/2019
4	Mr. Keki Manchersha Elavia	00003940	27/03/2019
5	Ms. Rukhshana Jina Mistry	08398795	27/03/2019
6	Mr. Cherag Sarosh Balsara	07030974	29/03/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: April 06, 2022
UDIN: F006252D000031519

General Information About the Company

The General Shareholder Information of your Company is provided as under:

(i) Fifth Annual General Meeting:

Day and date : Friday, September 30, 2022

Time : 3:00 P.M.

Venue : Video Conferencing/ Other Audio Visual means

(ii) Financial Year:

Your Company follows April-March as the Financial Year.

Calendar of the Financial Year ended on March 31, 2022:

The meetings of Board of Directors for approval of quarterly/ half-yearly/ annual financial results for the Financial Year ended on March 31, 2022, were held on the following dates:

Sr. No.	Particulars	Date of Meetings
1.	Results for the quarter ended June 30, 2021	August 14, 2021
2.	Results for the quarter and six months ended September 30, 2021	November 13, 2021
3.	Results for the quarter and nine months ended December 31, 2021	February 14, 2022
4.	Results for the quarter and year ended March 31, 2022	April 07, 2022

Tentative Financial Calendar:

The tentative months for the quarterly meetings of the Board of Directors for consideration of quarterly/ half-yearly/ annual financial results for the Financial Year ending March 31, 2023, are as under:

Sr. No.	Particulars	Tentative Months
1.	Results for the quarter ending June 30, 2022	July 2022
2.	Results for the quarter and six months ending September 30, 2022	October 2022
3.	Results for the quarter and nine months ending December 31, 2022	January 2023
4.	Results for the quarter and year ending March 31, 2023	April 2023

Further, the tentative months for the Sixth Annual General Meeting of the Company for the Financial Year ending March 31, 2023 shall be June/ July, 2023.

(iii) Dividend Payment Date:

There was no dividend paid or declared during the year under review.

(iv) Stock Exchanges where Securities of the Company are listed:

Your Company's Equity Shares are listed on the following Stock Exchanges and the necessary annual listing fees have been duly paid to both the Stock Exchanges.

Name and address of the Stock Exchange	Stock/Scrip Code
BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	542760
National Stock Exchange of India Limited ("NSE") Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	SWSOLAR

(v) Stock Market Price Data:

The stock market price data of the Company's share traded on BSE and NSE during the Financial Year 2021-22 is as under:

Month - Year	BSE		NSE	
	High	Low	High	Low
Apr-21	343.50	262.80	343.80	262.30
May-21	319.90	225.80	320.00	225.40
Jun-21	276.95	219.00	276.75	220.05
Jul-21	297.00	261.10	297.30	261.10
Aug-21	324.05	248.35	324.40	248.50
Sep-21	427.50	308.35	426.95	308.05
Oct-21	509.00	388.05	509.10	387.90
Nov-21	458.95	379.75	458.70	380.00
Dec-21	407.10	372.05	407.90	371.80
Jan-22	423.15	370.15	423.45	370.45
Feb-22	412.45	295.60	412.75	295.60
Mar-22	339.05	295.25	339.50	295.00

Source: BSE and NSE websites.

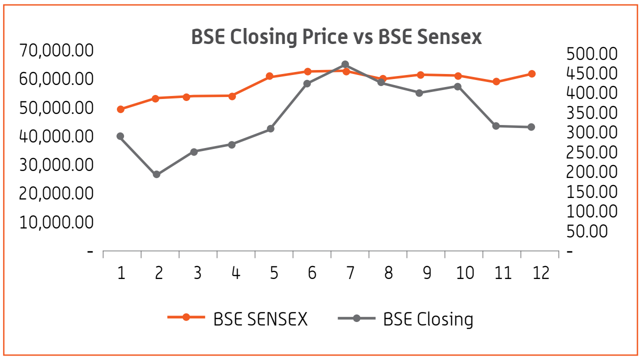
(vi) Stock Performance:

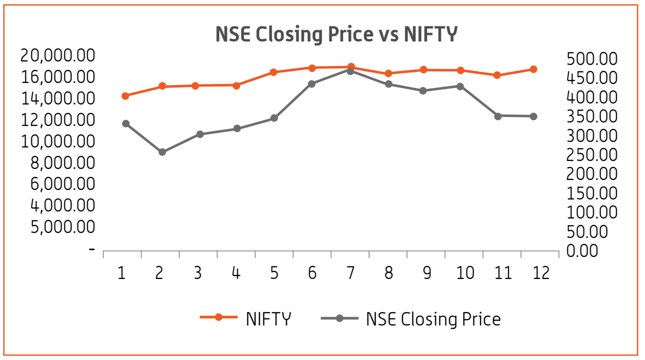
Performance in comparison to broad-based indices viz. NSE Nifty and BSE SENSEX during the Financial Year 2021-22 were as under:

Month - Year	BSE	BSE SENSEX	NSE	NSE Nifty
	Closing Price (Amount in ₹)	Closing Price (Amount in ₹)	Closing Price (Amount in ₹)	Closing Price (Amount in ₹)
April 30, 2021	301.20	48,782.36	301.00	14,631.10
May 31, 2021	226.80	51,937.44	226.50	15,582.80
June 30, 2021	271.60	52,482.71	272.05	15,721.50
July 31, 2021	285.15	52,586.84	285.40	15,763.05
August 31, 2021	312.05	57,552.39	311.75	17,132.20
September 30, 2021	399.40	59,126.36	400.00	17,618.15
October 31, 2021	434.40	59,306.93	434.45	17,671.65
November 30, 2021	399.75	57,064.87	399.70	16,983.20
December 31, 2021	382.25	58,253.82	382.40	17,354.05
January 31, 2022	394.50	58,014.17	394.35	17,339.85
February 28, 2022	319.40	56,247.28	319.30	16,793.90
March 31, 2022	317.40	58,568.51	318.05	17,464.75

Source: BSE and NSE websites.

Performance of Company's Equity Share price in comparison to BSE Sensex and NSE Nifty:





(vii) Distribution of Shareholding as on March 31, 2022:

Sr. No.	Range of No. of Shares Held	No. of folios	% of folios (falling under this range)	Total Shares Held (by Shareholders falling under this range)	% of shares held
1	1 to 500	152,479	95.88	9,836,524	5.19
2	501 to 1000	3,489	2.19	2,771,969	1.47
3	1001 to 2000	1,588	1.00	2,378,189	1.25
4	2001 to 3000	514	0.32	1,314,466	0.69
5	3001 to 4000	239	0.15	858,070	0.45
6	4001 to 5000	185	0.12	877,920	0.46
7	5001 to 10000	278	0.17	2,071,206	1.09
8	10001 and above	256	0.17	169,584,989	89.40
	Total	**159,028**	**100**	**189,693,333**	**100**

Category-wise Shareholding Pattern of the Company as on March 31, 2022:

Category	No. of Shares	No. of Shareholders[1]	% of Shareholding
Promoter and Promoter Group	149,032,164	9	78.56
Clearing Members	507,306	104	0.27
Bodies Corporate	2,212,315	456	1.17
Hindu Undivided Family	1,079,106	2530	0.57
Mutual Funds	6,009,272	4	3.17
Foreign Nationals	20,000	1	0.01
Non Resident Indians	498,454	1067	0.26
Non Resident (Non Repatriable)	272,752	474	0.14
Public	23,893,853	151864	12.60
State Government	300	1	0.00
Trusts	15	1	0.00
Other Directors/ Relatives	1,603,600	1	0.85
Body Corporate - Ltd Liability Partnership	140,006	47	0.07
Foreign Portfolio Investors (Corporate)	4,423,840	34	2.33
Foreign Portfolio Investors (Individual)	350	1	0.00
Total	**189,693,333**	**156594**	**100.00**

Note:

(1) Consolidated on basis of Permanent Account Number (PAN).

(viii) Dematerialisation of Shares and Liquidity

As on March 31, 2022, the entire Equity Share Capital of the Company is held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited under International Securities Identification Number ("ISIN") - INE00M201021.

(ix) Reconciliation of Share Capital Audit

In terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, Manish Ghia & Associates, Practising Company Secretaries, carry out a quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and the capital held by the depositories in dematerialised form, the details of changes in the Share Capital during each quarter.

Further, an audit report issued in that regard is submitted to the Stock Exchanges and the same is also placed before the Board of Directors at their meetings.

(x) Outstanding Global Depository Receipts ("GDRs")/ American Depository Receipts ("ADRs")/ Warrants or any convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments pending for conversion as on March 31, 2022.

(xi) Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities

Your Company does not engage in Commodity hedging activities.

(xii) Share Transfer System

As on March 31, 2022, the entire Equity Share Capital of the Company is held in dematerialised form. Transfers in electronic form are simple and quick as the Shareholders have to approach their respective Depository Participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

(xiii) Disclosures w.r.t. Demat Suspense Account/ Unclaimed Suspense Account

As on the date of this report there are no shares lying in the Demat Suspense Account/ Unclaimed Suspense Account.

(xiv) Company's Recommendations to the Shareholders:

a. **Submit Nomination Form**

Shareholders shall register their nominations with their DP to ensure that their shares are transmitted to their respective nominees without any hassles. They must ensure that nomination made is in the prescribed form.

b. **Furnish/ update bank account details**

Shareholders should ensure that correct and updated particulars of their bank account are available with the DP. This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid events such as postal delays and loss in transit.

c. **Intimate/ update contact details including e-mail IDs**

In order to receive communications on corporate actions and other information of the Company, the Investors may consider intimating their contact details (including address) and changes therein, if any, to the Company/ RTA or to their DP.

d. **Service of documents through electronic means**

Your Company is an ardent believer of the Paperless Green Initiative. Pursuant to Section 101 and Section 136 of the Act, Companies can serve Annual Reports and other communications through electronic mode to those Shareholders who have registered their E-mail address either with the Company or with the DPs. Accordingly, Shareholders who have not registered their e-mail addresses so far, are requested to register their E-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically. The request can be sent to the RTA or to the Company on its designated e-mail Id i.e. ir@sterlingwilson.com.

(xv) List of all credit ratings obtained by the Company along with any revisions thereto during Financial year 2021-22, for all debt instruments of the Company

Sr. No.	Instrument Type	Size of Issue (₹ in Crore)	Rating Agency	Rating	Revisions, if any	Remarks
1	Fund-based limits	228	India Ratings & Research (Ind-Ra)	IND A-/RWP/ IND A2+/RWP	Long-Term credit Rating of the Company was upgraded from 'IND BBB+' to 'IND A-'	-
2	Proposed fund-based limits	72		IND A-/RWP/ IND A2+/RWP	Long-Term credit Rating of the Company was upgraded from 'IND BBB+' to 'IND A-'	-
3	Non-fund-based limits	7,259	India Ratings & Research (Ind-Ra)	IND A-/RWP/ IND A2+/RWP	Long-Term credit Rating of the Company was upgraded from 'IND BBB+' to 'IND A-'	-
4	Proposed non-fund-based limits	2,441		IND A-/RWP/ IND A2+/RWP	Long-Term credit Rating of the Company was upgraded from 'IND BBB+' to 'IND A-'	-
5	Commercial Paper Programme	200	Acuité Ratings & Research Limited	ACUITE A1+	Upgraded and removed from rating watch	-

(xvi) Plants of the Company with their locations:

The Company does not have any plant.

(xvii) Investor Service and Grievance Handling Mechanism:

A robust mechanism is established by your Company which ensures pro-active handling of investor correspondences and efficient redressal of grievances in an expeditious manner. This mechanism is handled by the Compliance Officer of your Company and the RTA, through its Investor Service Centres which are spread across the Country.

Details of complaints received during the Financial Year 2021-22 along with their status as on March 31, 2022, have been disclosed separately in the Corporate Governance Report forming part of this Annual Report.

(xviii) Contact Address for Investors:

The Company's dedicated e-mail address for Members' Complaints and other communications is ir@sterlingwilson.com. Since all the Equity Shares of the Company are held in dematerialised mode, Shareholders are requested to address all correspondences with respect to transfer to their respective depository participants. Any other correspondences relating to the shares of the Company to the below mentioned address of the Company's Registrar and Share Transfer Agent.

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.
(Unit: Sterling and Wilson Renewable Energy Limited)
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083.
Phone: +91 22 49186000
E-mail: rnt.helpdesk@linkintime.co.in

Registered Office

Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
9th Floor, Universal Majestic, P. L. Lokhande Marg,
Chembur (W), Mumbai - 400043, Maharashtra.
Phone: +91 22 225485300
E-mail: ir@sterlingwilson.com
Website: www.sterlingandwilsonre.com

Business Responsibility Report

The Company is committed to fulfilling its economic, environmental and social responsibilities while conducting its business. It is conscious of its impact on the society it operates in and has systems to either eliminate or control adverse impact. The Company works towards resource conservation, improving social relations with the community in which it operates and generating economic value. The Company has always taken keen interest in creating sustainable value for all its stakeholders in a responsible manner. Besides, the organisation has been actively enabling the communities (where it operates) in enhancing the quality of life.

This Business Responsibility Report ("BRR") is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), as amended from time to time.

Section A: General Information about the Company:

1.	Corporate Identity Number (CIN) of the Company	:	L74999MH2017PLC292281
2.	Name of the Company	:	Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited)
3.	Registered Address	:	Universal Majestic, 9th Floor, P. L. Lokhande Marg, Chembur (W), Mumbai – 400 043
4.	Website	:	www.sterlingandwilsonre.com
5.	E-mail ID	:	ir@sterlingwilson.com
6.	Financial Year Reported	:	April 01, 2021 – March 31, 2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	422
8.	List three Key Products that the Company manufactures/ provides (as in the Balance Sheet)	:	- Engineering, Procurement and Construction of Solar power generation facilities - Operation and maintenance of Solar power generation facilities
9.	Total number of locations where business activity is undertaken by the Company	:	25 countries
10.	Markets served by the Company: State, National, International	:	All

Section B: Financial Details of the Company

1. Paid-up capital (INR): ₹ 18.96 Crore
2. Total Turnover (INR): ₹ 3,459.58 Crore
3. Total Loss after Tax (INR): ₹ (167.52) Crore
4. Total spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%): **Out of the total budget of ₹ 4.01 Crore for the financial year 2021-22, an amount of ₹ 0.82 Crore was spent for the projects approved for the financial year 2021-22. This amounts to approx. 20.44 percent of ₹ 4.01 Crore i.e. 2 percent of the average net profit (calculated in terms of Section 198 and other provisions of the Companies Act, 2013) in the preceding three financial years. Out of ₹ 0.82 Crore, ₹ 0.04 Crore was spent towards project akshay patra and project for education of rural children which was completed during the financial year and balance amount of ₹ 0.78 Crore pertained to ongoing projects.**
5. List of activities in which expenditure (in point 4, above) has been incurred:
   1. **Education**
   2. **Health Care**
   3. **Environmental Sustainability**
   4. **Rural Development**
   5. **Social Welfare**
   6. **Covid-19**

   For detailed information regarding CSR Activities for financial year 2021-22 of the Company, you may refer to the Annual Report on CSR activities annexed to the Directors' Report.

Section C: Other Details

1. Does the Company have any subsidiary company/ companies? **Yes, the Company has 24 subsidiary companies (including step-down subsidiaries) in India and abroad as on March 31, 2022.**

2. Do the subsidiary company/ companies participate in the BR initiatives of the Parent Company? **The Company, along with all its subsidiaries, is guided by the Sterling and Wilson Code on Business Ethics Policy ("the Code") to conduct their business in an ethical, transparent and accountable manner. It encourages its subsidiaries to carry out Business Responsibility ("BR") initiatives to the extent that they are material in relation to the business activities of the subsidiaries. The BR policies of foreign subsidiaries are in line with their respective local requirements and laws.**

3. Do any other entity/ entities that the Company does business with participate in the BR initiatives of the Company? **Other entities viz. suppliers, distributors etc. with whom the Company does business, do not participate in the Business Responsibility initiatives of the Company.**

Section D: BR Information

1. Details of Director/ Directors responsible for BR

(a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies

DIN : 00216905

Name : Mr. Khurshed Yazdi Daruvala

Designation : Chairman and Non-Executive Director

(b) Details of the BR Head:

Sr. No.	Particulars	Details
1.	DIN (if applicable)	00216905
2.	Name	Mr. Khurshed Yazdi Daruvala
3.	Designation	Chairman and Non-Executive Director
4.	Telephone Number	022-25485300
5.	E-mail ID	swsolarbrr@sterlingwilson.com

2. Principle-wise (as per NVGs) BR Policy/ Policies:

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1: Businesses should conduct and govern themselves with ethics, transparency and accountability

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3: Businesses should promote the well-being of all employees

P4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

P5: Businesses should respect and promote human rights

P6: Businesses should respect, protect and make efforts to restore the environment

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8: Businesses should support inclusive growth and equitable development

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1 to P9
1.	Do you have a policy/ policies for?	Yes
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Policies formulated after internal consultation covering all functional areas
3.	Does the policy conform to any national/international standards? If Yes, specify.	Yes, the policies conform to the statutory provisions
4.	Has the policy been approved by the Board? If Yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes

Sr. No.	Questions	P1 to P9
6.	Indicate the link for the policy to be viewed online	All the policies except HR policies can be viewed on the Company's website at https://www.sterlingandwilsonre.com/investor-relations/corporate-governance. HR policies are restricted to employees of the Company and uploaded on Company's Intranet.
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes
8.	Does the Company have in-house structure to implement the policy/policies?	Yes
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes, internal evaluation

b) If answer to the question at serial number 1 against any principle is 'No', please explain why: (Tick up to 2 options) – **Not Applicable**

Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year - **The Business Responsibility performance of the Company is assessed periodically by the management.**

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? **The business responsibility report is published annually as a part of Annual Report and the same can be accessed on the website of the Company at https://www.sterlingandwilsonre.com/investor-relations/financials.**

Section E: Principle -wise Performance

Principle 1: Corporate Governance for Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others? **The Company has adopted the Sterling and Wilson Code of Business Ethics Policy which *inter alia* covers the issues, related to ethics, conflict of interest and so on. Every employee of the Company and its subsidiaries are required to mandatorily adhere to the Code. In the case of foreign subsidiaries and Joint Venture(s), this is applicable in line with the local requirements prevailing in the respective countries of operations. Other entities such as suppliers, contractors etc. with whom the Company does its business, are also obligated to adhere to the Code to the extent applicable.**

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? **There are systems in place to receive and resolve complaints from various stakeholders. There were no stakeholder complaints during the Financial Year 2021-22 related to Ethics, Transparency and Accountability. The Company has also not received any whistle blower complaints.**

   Further, there were Nil complaints received from investors of the Company through SEBI Scores platform, Stock Exchanges or Depositories.

Principle 2: Sustainability of Products & Services across their life cycle

1. List three products or services whose design has incorporated social or environmental concerns, risks and/or opportunities: **Engineering, Procurement and Construction ("EPC") and Operation and Maintenance ("O&M").**

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc): **The Company is not engaged in the business of manufacturing goods and consumer products. The company however takes necessary steps to ensure efficient use of the raw materials and goods required for execution of the projects including in relation to energy, water, raw material etc**.

3. Does the company have procedures in place for sustainable sourcing? **Yes**

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? **Yes**

5. Does the Company have a mechanism to recycle products and waste? **Recycling the product is not applicable as the company is not engaged in manufacturing activities.**

Principle 3: Employee well-being

1. Please indicate the Total number of employees: **1,067 employees (excluding off roll/ casual)**

2. Please indicate the Total number of employees hired on temporary /contractual/ casual basis. **1,294**

3. Please indicate the Number of permanent women employees: **98**

4. Please indicate the Number of permanent employees with disabilities: **Nil**

5. Do you have an employee association that is recognized by management? **Not Applicable**

6. What percentage of your permanent employees is members of this recognized employee association? **Not Applicable**

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year: **Nil**

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Category	Safety	Skill up-gradation
Permanent Employees	85%	70%
Permanent Women Employees	100%	50%
Casual/ Temporary/ Contractual Employees	100%	90%
Employees with Disabilities	N.A.	N.A.

Principle 4: Stakeholder Engagement

1. Has the Company mapped its internal and external stakeholders? **Yes, the Company has mapped its internal and external stakeholders along with vulnerable, marginalized and disadvantaged stakeholders. This supports the Company to understand its stakeholders and helps the Company to match their expectations to sustain strong relationships with them. We conduct business professionally to create value for all stakeholders ensuring that we are a responsible partner that serves the wider interests of society.**

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders. – **Yes, the Company identifies underprivileged communities in and around its business locations and project sites. The Company conducts various activities, which upholds its philosophy and values towards underprivileged communities.**

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? **The Company endeavours to bring in growth for community initiatives and Rural Development. Several initiatives such as health care, education, infrastructure, safe drinking water and sanitation, sustainable livelihood etc. are extended by the Company. The Company has adopted safety as a culture. It has engaged employees at all levels – whether employees, contractors, suppliers or the community and has taken a structured approach, through leadership involvement, in order to bring about a culture change that views safety as non-negotiable.**

Principle 5: Human Rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others? – **The Company respects Human Rights and has a dedicated Policy on Human Rights. Through the policy, the Company ensures conformance to the fundamental labour principles including the prohibition of child labour, forced labour, freedom of association and protection from discrimination in all its operations. The Policy is extended to Group/ its subsidiaries/ Joint Ventures/ Suppliers/ Contractors.**

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? – **Nil**

Principle 6: Protection and Restoration of the Environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others. **The Environment Health and Safety ("EHS") policy covers the Company, its Contractors & all other relevant stakeholders including visitors.**

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. **We are in a Carbon Positive business as solar renewable power cuts the carbon emission of the traditional fossil fuel-based power generation in totality. Though we are in green business, the fugitive GHG being generated due to generation of the construction wastes during our site activities are being monitored on monthly basis and captured through the software we are using presently.**

3. Does the company identify and assess potential environmental risks? **Yes, all potential environmental risks which may arise out of our operations are determined and the right remedial actions are considered to make it compliant with the environmental norms. ISO 14001 certification audit does evaluate and certify the same.**

4. Does the company have any project related to Clean Development Mechanism? **Not Applicable**

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. **The Company is constantly upgrading for energy efficiency of the projects built by us through design optimisation and using the latest higher capacity solar panel in our projects. Besides that, water recycling, rainwater harvesting, and preservation of environment through natural land contour management, biodiversity management are standard practices in our projects.**

6. Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported? **Being a renewable energy Company, the Company is exempt from this requirement.**

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year. **The Company has not received any show cause/ legal notices either from CPCB or SPCB which is pending as on March 31, 2022.**

Principle 7: Responsible Advocacy

1. Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

   Yes, the Company is a member of the Bombay Chamber of Commerce and Industry.

2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) – **Not Applicable**

Principle 8: Supporting Inclusive Growth and Equitable Development

1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof. **Pursuant to the CSR Policy adopted by the Board as prescribed in Schedule VII to the Companies Act, 2013, during the year under review, the major CSR activities were carried out in the field of Education & Skill Development, Health & Sanitation, Environment Sustainability & Community Development and Rural Development.**

2. Are the programmes/ projects undertaken through in-house team/ own foundation/external NGO/ government structures/ any other organization? **The Company partners with NGOs and Government organizations to leverage synergies in delivering community development initiatives under the abovementioned focus areas. Encouragement is given to employees to volunteer for cause of choice in pre-defined aspects that are aligned to community development initiatives.**

3. Have you done any impact assessment of your initiative? **The Company internally undertakes impact assessment on a continuous basis and monitors gains to the community arising out of all its CSR activities.**

4. What is your Company's direct contribution to community development projects - **The Company's direct monetary contribution to community development projects in Financial Year 2021-22 was ₹ 0.82 Crore. An Annual Report on details of projects undertaken as CSR activities is annexed to the Director's Report.**

5. Have you taken steps to ensure that this community incorporation development initiative is successfully adopted by the community? **The Company has taken adequate steps to ensure that the development initiatives are successfully adopted by the community. The process of community engagement begins right from business development stage, to projects and operations stage. The Socio-economic study and baselines form the basis for identification of prioritized needs, followed by program planning with help of external experts. Every year, the Company implements programs with prior community consultation through teams.**

Principle 9: Providing Value to Customers and Consumers

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year: **There are no customer complaints/ consumer cases pending as of end of financial year 2021-22.**

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information) – **Not Applicable**

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year. **Since incorporation, no such case has been filed against the Company on the above referred matters.**

   *The Company has been incorporated on March 09, 2017.

4. Did your company carry out any consumer survey/ consumer satisfaction trends? – **Not Applicable, since the Company is not providing/ selling its services/ products to end consumers.**

Independent Auditors' Report

To the Members of
Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)

Report on the Audit of the Standalone Ind-AS Financial Statements

Opinion

We have audited the accompanying standalone Ind-AS financial statements of STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity, the Standalone Statement of Cash Flows for the year then ended and the Notes to the standalone Ind-AS financial statements, including a summary of significant accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the branch auditors of the Company's branches located at Australia, Argentina, Chile, Dubai, Egypt, Indonesia, Jordan, Kenya, Mexico, Namibia, Philippines, United Kingdom, Vietnam and Zambia.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of branch auditors on financial information of such branches as were audited by the branch auditors, the aforesaid standalone Ind-AS financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind-AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the branch auditors referred to in paragraph (i) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the standalone Ind-AS financial statements.

Emphasis of Matters

We draw attention to:

i) Note 54 to the standalone Ind-AS financial statements which describes the Indemnity Agreement dated December 29, 2021, entered into by the Company with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Company and its subsidiaries / branches for a net amount, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreement), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters, if such claims (net of receivables) exceeds ₹ 300 crore. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. Since all future crystallized claims beyond ₹ 300 crore will be fully charged back and recovered from the Promoter Selling Shareholders, there will be no further impact on the results of the Company.

ii) Note 58 to the standalone Ind-AS financial statements in respect of the managerial remuneration paid to its Manager by the Company during the year exceeds the limit prescribed under Section 197 of the Act read with Schedule V of the Act by ₹ 0.69 crore. The same needs to be ratified by the shareholders in the forthcoming General meeting of the Company.

Our opinion is not modified in respect of these matters.

Key Audit Matter

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind-AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind-AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
Revenue from works contracts represents significant amount of the total revenue from operations of the Company. Revenue from these contracts is recognised on satisfaction of the performance obligations over a period of time and in accordance with the requirements of relevant accounting standards. Revenue recognition involves significant estimates related to measurement of costs for completion, valuation of claims and penalties / liquidated damages and in turn evaluation of the related receivables and liabilities at each reporting date. Penalties / liquidated damages specified in the contracts are inherent in the determination of transaction price and forms part of variable consideration. Overstatement of revenue is considered to be a significant audit risk as revenue is the key driver of returns to investors and incentives linked to performance for a reporting period. Due to significant judgment involved in the estimation of the total revenue, costs to complete and the revenue that should be recognized and significant audit risk of overstatement, we have considered measurement of contract revenue as a key audit matter.	In view of the significance of the matter we applied the following audit procedures: a) Assessed compliance of the Company's policies in respect of revenue recognition with the applicable accounting standards; b) Evaluated the design and implementation and tested operating effectiveness of key internal controls around revenue recognition and recording of contract costs; c) Selected a sample of contracts to test, based on the below mentioned criteria: - significant revenue recognised during the year; or - significantly high, low or - negative profit margins. d) For these selected contracts, we have assessed the estimated costs to complete, variations in contract price and contract costs and the adequacy of provision for penalties / liquidated damages arising from customer disputes. This assessment included: - verification / reviewed the executed version of contracts and its amendments for key terms and milestones to verify the estimated total revenue and costs to complete and / or any changes thereto; - compared costs incurred with Company's estimates of costs incurred to date to identify significant variation and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contracts; - appropriate cut-off procedures for determination of revenue in the correct reporting period; - compared revenue recorded during the year with the underlying contracts, milestones achieved and invoices raised on the customers; - inquiries with the project and commercial departments about significant changes to estimated total revenue and costs to complete and settlement and recoverability of contract related receivables; - sighted the correspondence with customers around recoverability of claims and penalties / liquidated damages. e) Considered the adequacy of disclosures made in Note 2(d)(i) to the Company's standalone Ind-AS financial statements in respect of these judgments and estimates.

Information Other than the Standalone Ind-AS financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Report on Corporate Governance but does not include the standalone Ind-AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind-AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind-AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind-AS financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind-AS 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind-AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone Ind-AS financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the standalone financial information of the branches of the Company to express an opinion on the standalone Ind-AS financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such branches included in the standalone Ind-AS financial statements of which we are the independent auditors. For the other branches included in the standalone Ind-AS financial statements, which have been audited by branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind-AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind-AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

i) We did not audit the financial information of 16 branches included in the standalone Ind-AS financial statements of the Company whose financial information before consolidation adjustments, reflect total assets of ₹ 1,000.54 crore as at March 31, 2022, total revenue of ₹ 2,560.32 crore and net cash outflow of ₹ 19.57 crore for the year ended on that date, as considered in the standalone Ind-AS financial statements. These branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

ii) All branches referred to above are located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by the branch auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial statements of such branches located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India.

We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the amounts and disclosures of such branches located outside India is based on the report of such branch auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

iii) The audit of the standalone Ind-AS financial statements of the Company for the year ended March 31, 2021, was carried out by a firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, Chartered Accountants who have expressed a modified opinion on those standalone Ind-AS financial statements vide their report dated June 29, 2021, which has been furnished and has been relied upon by us for the purpose of our audit of the standalone Ind-AS financial statements.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

d) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flows Statement and the Standalone Statement of Changes in Equity, dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.

e) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

f) On the basis of the written representations received from the Directors of the Company as on March 31, 2022, taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2022, from being appointed as a Director in terms of Section 164 (2) of the Act.

g) With respect to the adequacy of the internal financial controls with reference to standalone Ind-AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

h) According to information and explanations given to us and based on our examination of the records of the Company, as referred in paragraph (ii) of the Emphasis of Matters, in respect of the managerial remuneration paid to its Manager by the Company during the year exceeds the limit prescribed under Section 197 of the Act read with Schedule V of the Act by ₹ 0.69 crore. The same needs to be ratified by the shareholders in the forthcoming General meeting of the Company.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind-AS financial statements – Refer Note 42 to the standalone Ind-AS financial statements.

   ii) The Company has made provision, as required under the applicable law or Accounting Standards, on long-term contracts including derivative contracts – Refer Note 24 to the standalone Ind-AS financial statements. The Company did not have any long-term contracts for which there were any material foreseeable losses.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv) The Management has represented that:

      a) to the best of its knowledge and belief, other than as disclosed in the standalone Ind-AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) to the best of its knowledge and belief, other than as disclosed in the standalone Ind-AS financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) contain any material misstatement.

v) As per information and explanation represented by Management and based on the records of the Company, no dividend has been declared or paid during the year by the Company, hence the compliance with Section 123 of the Act is not applicable.

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
M. No.: 42454
UDIN: 22042454AGOPYP8420

Mumbai
April 7, 2022

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Ind-AS financial statements for the year ended March 31, 2022:

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020:

i) Property Plant and Equipment:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a program of physical verification of Property, Plant and Equipment by which the property, plant and equipment are verified by the Management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. Accordingly, paragraph 3 (i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

e) According to the information and explanations given to us, representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii) Inventory

a) The Management has conducted physical verification of inventories (stores and spare parts and construction materials) and site visits by the Management of project land at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its operations. The discrepancies noticed on such physical verification of inventories between physical stock and inventory records is less than 10% in the aggregate for each class of inventories and have been properly dealt with in the books of account.

b) According to the information and explanations given to us by the Management and books and records maintained, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at various points of time during the year, from banks on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, the quarterly returns filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters. The Company has no borrowings from financial institutions during the year.

iii) The Company has not made any investment nor provided any securities or given any advances in the nature of loans to subsidiaries, associates and joint ventures or any other parties during the year.

(a) The Company has provided guarantees and granted unsecured loans to subsidiaries during the year as detailed in Note 45 to the standalone Ind-AS financial statements.

A) The details as under:

Particulars	Guarantees	Loans
Aggregate amount granted / provided during the year		
- Subsidiaries	453.34	44.05
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	1,401.06	153.04

B) The Company has not provided guarantees, securities, granted loans and advances in the nature of loans to any other parties.

(b) In our opinion, the investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantees provided are prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the secured loans granted to a related party and the interest thereon was repayable as per contractual terms of inter-corporate deposit agreements. Further, unsecured loans granted to subsidiaries along with the interest thereon are repayable on demand. The borrowers have been regular in payment of principal and interest as demanded or as per contractual terms, as applicable.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, there are no overdue amounts for more than 90 days in respect of secured loan to a related party and unsecured loans to its subsidiaries by the Company and interest thereon. Accordingly, reporting under paragraph 3(iii)(d) of the Order is not applicable to the Company.

(e) No loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the over-dues of existing loans given to the same parties.

(f) The Company has granted loans repayable on demand or without specifying any terms or period of repayment to Promoters and related parties as defined in clause (76) of section 2 of the Act whose details are as under:

(₹ Crore)

	Promoters	Related Parties
Aggregate amount of loans		
- Repayable on demand (A)	-	153.04
- Agreement does not specify any terms or period of repayment (B)	-	-
Total (A+B)	-	153.04
Percentage of loans to the total loans	-	100%

iv) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees provided as applicable. The Company has not provided any security in connection with a loan to any other body corporate or person and accordingly, compliance under Sections 185 and 186 of the Act in respect of providing securities is not applicable to the Company.

v) The Company has not accepted any deposit or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable. According to the information and explanations given to us and representation obtained from Management, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

vi) We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of cost records, under sub section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) Statutory Dues:

a) According to the information and explanations given to us and on the basis of the records examined by us, the Company have generally been regular in depositing with the appropriate authorities, though there have been slight delays in a few cases in respect of undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom and other material applicable statutory dues during the year. The provisions relating to sales tax, duty of excise, value added tax and cess are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material applicable statutory dues in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022, on account of disputes are given below:

Name of the statute	Nature of the dues	Amount ₹ crores	Period to which the amount relates	Forum where dispute is pending
Central Goods and Services Tax Act, 2017	CGST, interest and penalty	38.52	2017-18	Andhra Pradesh High Court
		88.49	2018-19	Rajasthan High Court
The Andhra Pradesh Goods and Services Tax Act, 2017.	SGST, interest and penalty	38.52	2017-18	Andhra Pradesh High Court
Rajasthan Goods and Services Tax Act, 2017.	SGST, interest and penalty	88.49	2018-19	Rajasthan High Court
Egypt Value Added Tax	VAT interest and penalty	56.19	2017-2020	Egypt VAT office
Income Tax Act, 1961.	Income-tax and interest	66.63	2018-19 2020-21	CIT Appeals

viii) According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) Borrowings:

a) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or other borrowings or payment of interest thereon to any lender, except as detailed below:

Nature of borrowings	Name of lender	Amount not paid on due date ₹ crores	Whether principal or interest	No. of days delay or unpaid
Working capital loan	RBL Bank Ltd	4.80	Principal	1
	Hongkong and Shanghai Banking Corporation Limited	5.00	Principal	2
		5.00	Principal	6
		5.00	Principal	28
	DBS Bank India Limited	10.00	Principal	17
	HDFC Bank Limited	100.00	Principal	3
	ICICI Bank Limited	4.80	Principal	26

b) In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.

c) In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has not availed any term loan. Accordingly, paragraph 3 (ix) (c) of the Order is not applicable to the Company.

d) In our opinion and according to the information and explanations given to us and representation obtained from Management, on an overall examination of the standalone Ind-AS financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

e) In our opinion and according to the information and explanations given to us, representation obtained from Management, and on an overall examination of the standalone Ind-AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x) Allotment of Shares

a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has made preferential allotment of equity shares. For such allotment of shares, we further report that the requirements of Section 42 and 62 of the Companies Act, 2013 have been complied with. The funds raised through the said preferential allotment have been utilised for the purpose for which it was obtained. The amount of ₹150 crore is pending utilisation by the Company as at the balance sheet date.

The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

xi) Frauds

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

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

xiv) Internal Audit System

a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with its directors. and hence provisions of section 192 of the Act are not applicable to the Company.

xvi) (a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(a) and (b) of the Order are not applicable.

(b) The Company and any other company in the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

xvii) The Company has incurred cash loss of ₹10.68 crore during the financial year covered by our audit. However, the Company has not incurred cash loss in the immediately preceding financial year.

xviii) During the year, there has been resignation of the erstwhile statutory auditor of the Company, the details of which have been mentioned in their resignation letter addressed to the Board of Directors dated August 11, 2021. However, there are no other issues, objections or concerns raised by the outgoing auditor.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and representation from Management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) Corporate Social Responsibility

(a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects that require to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

In respect of ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act till the date of our report since the time period for such transfer i.e. 30 days from the end of the financial year has not elapsed till the date of our report.

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
M. No.: 42454
UDIN: 22042454AGOPYP8420

Mumbai
April 7, 2022.

FINANCIAL STATEMENTS

Annexure B to the Independent Auditors' Report

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (j) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the standalone Ind-AS financial statements of STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited) (hereinafter referred to as the 'the Company'), as of March 31, 2022, in conjunction with our audit of the standalone Ind-AS financial statements of the Company for the year ended on that date..

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone Ind-AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone Ind-AS financial statements included obtaining an understanding of internal financial controls with reference to standalone Ind-AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors in terms of their report referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to standalone Ind-AS financial statements.

Meaning of Internal Financial Controls with reference to standalone Ind-AS financial statements

A Company's internal financial control with reference to standalone Ind-AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind-AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone Ind-AS financial statements includes those policies and procedures that:

i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone Ind-AS financial statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind-AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone Ind-AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of branch auditors on financial information of such branches as were audited by the branch auditors, the Company has in all material respects, an adequate internal financial controls with reference to the standalone Ind-AS financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal controls with reference to standalone Ind-AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matters

We did not audit the internal financial controls with reference to financial information of 16 branches (in Australia, Argentina, Chile, Dubai, Egypt, Indonesia, Jordan, Kenya, Mexico, Namibia, Philippines, United Kingdom, Vietnam and Zambia) of the Company. The internal financial controls with reference to financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the internal financial controls with reference to financial information included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
M. No.: 42454
UDIN: 22042454AGOPYP8420

Mumbai
April 7, 2022.

Standalone Balance Sheet

as at March 31, 2022

(Currency: Indian rupees in crore)

	Note	March 31, 2022	March 31, 2021
Assets			
1 Non-current assets			
(a) Property, plant and equipment	4	16.29	19.95
(b) Capital work-in-progress	4	-	0.01
(c) Right-of-use assets	51	4.97	5.72
(d) Other intangible assets	5	6.56	7.84
(e) Intangible assets under development	5	0.32	0.32
(f) Financial assets			
(i) Investments	6	371.21	371.21
(ii) Other financial assets	7	4.77	5.94
(g) Deferred tax assets (net)	8	105.73	80.86
(h) Non-current tax assets (net)	9	42.21	36.60
(i) Other non-current assets	10	1.85	1.85
Total non-current assets		**553.91**	**530.30**
2 Current assets			
(a) Inventories	11	3.90	3.09
(b) Financial assets			
(i) Trade receivables	12	589.78	769.99
(ii) Cash and cash equivalents	13	344.85	122.69
(iii) Bank balances other than (ii) above	14	35.60	45.85
(iv) Loans	15	153.96	552.88
(v) Derivatives	16	-	1.92
(vi) Other financial assets	17	1,339.76	710.28
(c) Other current assets	18	950.99	1,039.29
Total current assets		**3,418.84**	**3,245.99**
Total assets		**3,972.75**	**3,776.29**
Equity and liabilities			
Equity			
(a) Equity share capital	19	18.97	16.04
(b) Other equity	20	1,482.26	495.94
Total equity		**1,501.23**	**511.98**
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	51	5.57	6.08
(b) Provisions	21	20.56	20.56
Total non-current liabilities		**26.13**	**26.64**
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	353.23	385.73
(ii) Lease liabilities	51	0.51	0.40
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		19.16	83.74
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,424.22	2,296.01
(iv) Derivatives	24	20.37	92.39
(v) Other financial liabilities	25	78.48	63.96
(b) Other current liabilities	26	393.91	219.95
(c) Provisions	27	155.51	93.16
(d) Current tax liabilities (net)	28	-	2.33
Total current liabilities		**2,445.39**	**3,237.67**
Total liabilities		**2,471.52**	**3,264.31**
Total equity and liabilities		**3,972.75**	**3,776.29**

The attached notes 1 - 62 are an integral part of these standalone financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN:L74999MH2017PLC292281

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DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
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Chandra Thakur
Manager
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Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai

Mumbai
April 7, 2022

April 7, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

		Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income				
I	Revenue from operations	29	3,459.58	3,176.17
II	Other income	30	102.31	153.95
III	**Total income (I+II)**		**3,561.89**	**3,330.12**
IV	**Expenses**			
	Cost of construction materials, stores and spare parts	31	1,681.70	2,029.83
	Purchases of stock-in-trade	32	-	0.79
	Changes in inventories of stock-in-trade	33	-	-
	Direct project costs	34	1,670.48	1,049.47
	Employee benefits expense	35	124.83	122.34
	Finance costs	36	75.34	67.59
	Depreciation and amortisation expense	37	7.90	8.20
	Other expenses	38	207.06	194.57
	Total expenses (IV)		**3,767.31**	**3,472.78**
V	**(Loss) before income tax (III-IV)**		**(205.42)**	**(142.67)**
VI	**Tax expenses:**	39		
	Current tax			
	Current tax relating to current year		-	-
	Current tax relating to earlier years		4.81	-
	Deferred tax (credit) / charge		(42.71)	(31.23)
	Total Tax expenses (VI)		**(37.90)**	**(31.23)**
VII	**(Loss) for the year (V-VI)**		**(167.52)**	**(111.44)**
VIII	**Other comprehensive income**			
	Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurements of defined benefit liability		0.60	0.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.15)	(0.07)
	Items that will be reclassified subsequently to profit or loss			
	(i) Effective portion of (losses) on hedging instruments in cash flow hedges		14.99	(153.59)
	(ii) Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss		55.13	63.10
	(iii) Income tax relating to items that will be reclassified to profit or loss		(17.65)	22.77
	(iv) Exchange differences in translating financial statements of foreign operations		10.09	(11.46)
VIII	**Other comprehensive income / (loss) for the year**		**63.01**	**(78.98)**
IX	**Total comprehensive (loss) for the year**		**(104.51)**	**(190.42)**
X	**Earnings per equity share**			
	Basic and diluted earnings per share (₹) (face value of ₹ 10 split into face value of Re 1 each)	40	(9.99)	(6.95)

The attached notes 1 - 62 are an integral part of these standalone financial statements.

As per our report of even date attached.
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Company Secretary
Membership No: F2808
Mumbai
April 7, 2022

Mumbai
April 7, 2022

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(Currency : Indian Rupees in crore)

A. Equity Share Capital

Particulars	March 31, 2022	March 31, 2021
Balance as at the beginning of the year	16.04	16.04
Add: Changes in share capital during the year	2.93	-
Balance at the end of the year	**18.97**	**16.04**

B. Other Equity

	Reserves and surplus					Sub-total	Items of other comprehensive income		Sub-total	Total
	Capital reserve on demerger	Capital redemption reserve	Securities premium	Employee stock option reserve	Retained earnings		Effective portion of cash flow hedge	Exchange difference on translating the financial statement of foreign operations		
Balance as at April 1, 2021	**(181.74)**	**0.00**	**-**		**733.71**	**551.97**	**(67.72)**	**11.69**	**(56.03)**	**495.94**
Adjustments:										
Total comprehensive income for the year										
Profit for the year	-	-	-	-	(167.52)	(167.52)	-	-	-	(167.52)
Items of OCI for the year, net of tax:										
Remeasurement of the defined benefit liability, net of tax	-	-	-	-	0.45	0.45	-	-	-	0.45
Employee stock option reserve for the year	-	-	-	3.71	-	3.71	-	-	-	3.71
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	10.08	10.08	10.08
Gain/(losses) on hedging instruments in cash flow hedges, net of tax	-	-	-	-	-	-	11.22	-	11.22	11.22
Effective portion of (gain)/losses on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	-	-	-	-	-	-	41.25	-	41.25	41.25
Total comprehensive income for the year	**-**	**-**	**-**	**3.71**	**(167.07)**	**(163.36)**	**52.47**	**10.08**	**62.55**	**(100.81)**
Transactions with owners, directly recorded in Other equity										
Securities premium on issue of equity shares (net of share issue expenses)			1,087.12	-	-	1,087.12	-	-	-	1,087.12
Total transactions with owners	**-**	**-**	**1,087.12**	**-**	**-**	**1,087.12**	**-**	**-**	**-**	**1,087.12**
Balance as at March 31, 2022	**(181.74)**	**0.00**	**1,087.12**	**3.71**	**566.64**	**1,475.73**	**(15.25)**	**21.77**	**6.52**	**1,482.26**
Balance as at April 1, 2020, as previously reported	**(181.74)**	**-**	**-**		**844.95**	**663.21**	**-**	**23.15**	**23.15**	**686.36**
Net assets acquired on account of merger of Sterling & Wilson - Waaree Private Limited (refer note 4)	-	-	-		-	-	-	-	-	-
Restated balance as at April 1, 2020	**(181.74)**	**-**	**-**	**-**	**844.95**	**663.21**	**-**	**23.15**	**23.15**	**686.36**

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

(Currency : Indian Rupees in crore)

	Reserves and surplus					Sub-total	Items of other comprehensive income		Sub-total	Total
	Capital reserve on demerger	Capital redemption reserve	Securities premium	Employee stock option reserve	Retained earnings		Effective portion of cash flow hedge	Exchange difference on translating the financial statement of foreign operations		
Adjustments:										
Total comprehensive income for the year										
Profit for the year	-	-			(111.44)	(111.44)	-	-	-	(111.44)
Items of OCI for the year, net of tax:										
Remeasurement of the defined benefit liability, net of tax	-	-			0.20	0.20	-	-	-	0.20
Exchange differences in translating financial statements of foreign operations	-	-			-	-	-	(11.46)	(11.46)	(11.46)
Gains/losses on hedging instruments in cash flow hedges, net of taxes							(114.93)	-	(114.93)	(114.93)
Effective portion of gain/(losses) on hedging instruments in cash flow hedges reclassified to profit or loss	-				-	-	47.21	-	47.21	47.21
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(111.24)**	**(111.24)**	**(67.72)**	**(11.46)**	**(79.18)**	**(190.42)**
Other adjustments										
Transfer of Capital redumption reserve*	-	0.00	-	-	(0.00)	-	-	-	-	-
Transactions with owners, directly recorded in Other equity										
Appropriations for dividend distribution tax on dividend (net of credit of ₹ 13.40 crore)	-	-		-	-	-	-	-	-	-
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at March 31, 2021 (Restated)	**(181.74)**	**0.00**	**-**	**-**	**733.71**	**551.98**	**(67.72)**	**11.69**	**(56.03)**	**495.94**

*Amount less than ₹ 0.01 crore

The attached notes 1 - 62 are an integral part of these standalone financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

Mumbai
April 7, 2022

For and on behalf of the Board of Directors of
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Mumbai
April 7, 2022

Standalone Statement of Cash Flows

for the year ended March 31, 2022

(Currency : Indian Rupees in crore)

			For the year ended March 31, 2022	For the year ended March 31, 2021
A)	**Cash flows from operating activities**			
	(Loss) / Profit before tax		(205.42)	(142.67)
	Adjustments for:			
	Depreciation and amortisation expense		7.90	8.20
	Expected credit loss on financial assets		12.93	19.75
	Bad debts written off		-	0.32
	Supplier balances written back		-	(0.49)
	Loans and advances written off		-	2.33
	Loss on sale of property, plant and equipmcnts (net)		-	0.26
	Property, plant and equipment written off and scrap		-	0.76
	Provision for liquidated damages		52.97	51.31
	Provision for foreseeable losses		-	0.22
	Other provisions		-	11.00
	Finance costs		75.34	67.59
	Interest income		(71.99)	(122.72)
	Provision for mark-to-market (gain) on derivative instruments (net)		-	(0.02)
	Unrealised foreign exchange loss (net)		86.67	98.49
	Liabilities no longer required written back		-	(10.17)
	Write back of expected credit loss on financial assets		-	(1.01)
	Share of loss in partnership firm		34.27	4.22
	Operating profit / (loss) before working capital changes		**(7.33)**	**(12.63)**
	Working capital adjustments			
	(Increase) / decrease in inventories		(0.81)	11.42
	Decrease in trade receivables		173.34	753.02
	(Increase) / decrease in loans and advances		(0.31)	2.87
	(Increase) in restricted cash (refer note 2 below)		(0.61)	(2.16)
	(Increase) in other financial assets		(637.43)	(453.23)
	Decrease / (increase) in other current and non-current assets		88.30	(245.53)
	(Decrease) in trade payable, derivatives, other financial liabilities, other liabilities and provisions		(871.99)	(2.85)
	Net change in working capital		(1,249.51)	63.54
	Cash flows generated from operating activities		(1,256.84)	50.91
	Income tax (paid) (net)		(13.86)	(60.47)
	Effects of exchange differences on translation of assets and liabilities		10.08	-
	Net cash flows (used in) operating activities	**(A)**	**(1,260.62)**	**(9.56)**
B)	**Cash flows from investing activities**			
	Payment for purchase of property, plant and equipment, capital work in progress and intangible assets		(2.87)	(12.93)
	Proceeds from sale of property, plant and equipment		-	0.59
	Decrease / (increase) in short term fixed deposits with banks (net)		12.03	(33.97)
	(Investment) in long term fixed deposits		-	(4.39)
	Proceeds from sale of treasury bills		-	0.19
	Proceeds from redemption of mutual funds		-	0.27
	Inter-corporate deposits / Loan given to subsidiaries and fellow subsidiaries		(44.05)	(26.48)
	Inter-corporate deposits / Loan repaid by subsidiaries and fellow subsidiaries		448.61	186.78
	Interest received		86.61	115.43
	Net cash flows generated from investing activities	**(B)**	**500.33**	**225.49**
C)	**Cash flows from financing activities**			
	(Repayment of) / Proceeds from cash credit borrowings (net)		(51.42)	77.19
	Proceeds from /(Repayment of) secured and unsecured short-term borrowings (net)		18.92	(289.27)
	Finance costs paid		(74.26)	(59.93)
	Repayment of lease liabilities		(1.09)	(2.99)
	Proceeds from issue of equity shares (net of share issue expenses)		1,090.05	-
	Net cash flows generated from / (used in) financing activities	**(C)**	**982.20**	**(275.00)**
	Net Increase / (decrease) in cash and cash equivalents	**(A + B + C)**	**221.91**	**(59.07)**
	Cash and cash equivalents at the beginning of the year		122.69	182.12
	Net movement in currency translation		0.25	(0.36)
	Cash and cash equivalents at the end of the year		**344.85**	**122.69**

Standalone Statement of Cash Flows

for the year ended March 31, 2022

(Currency : Indian Rupees in crore)

During the previous year ended March 31, 2021, loan given to Sterling and Wilson International Solar FZCO amounting to ₹ 367.53 crore have been converted into investment in equity instrument, the same have been treated as non-cash items and accordingly not reflected in the Standalone statement of cash flows (Refer note 53).

Notes :

1 The standalone statement of cash flows have been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on Statement of Cash Flows.

2. Current account balances with banks include ₹ 1.34 crore (March 31, 2021: ₹ 2.30 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, an amount of ₹ 1.57 crore (March 31, 2021: ₹ Nil) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (March 31, 2021: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

3 Cash comprises cash on hand and current accounts. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

		March 31, 2022	March 31, 2021 (Restated)
4	**Components of cash and cash equivalents**		
	Balance with banks		
	- in current accounts	344.50	113.55
	Cheques on hand	-	8.38
	Cash on hand	0.35	0.76
		344.85	**122.69**

5 Changes in liabilities arising from financing activity, including both changes arising from cash flows and non-cash changes:

Particulars	As at April 1, 2021 (Restated)	Changes considered in Standalone statement of cash-flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at March 31, 2022
Short-term borrowings	385.73	(32.50)	-	353.23
Lease liabilities	6.48	(1.09)	0.69	6.08

Particulars	As at April 1, 2020 (Restated)	Changes considered in Standalone statement of cash-flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at March 31, 2021 (Restated)
Short-term borrowings	597.81	(212.08)	-	385.73
Lease liabilities	8.66	(2.99)	0.81	6.48

6 The above standalone statement of cash flows includes ₹ 3.81 crore (March 31, 2021: ₹ 2.10 crore) towards corporate social responsibility (refer note 47).

The attached notes 1 - 62 are an integral part of these standalone financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
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Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

1 Background

Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited ("the Company") was incorporated as a Private Limited Company on March 9, 2017 under The Companies Act, 2013. The Company is a Solar EPC contractor with a pan India presence and international operations in Middle East, South East Asia, Africa, Philippines, Thailand, Europe, South America, Latin America, Australia and USA.

The Company is specialised in complete turn-key and Roof top solutions for Solar EPC solutions with having experience of executing more than 200 projects. The principal activity of the Company includes import, export and trading of Solar modules, structures, invertors and related accessories, installation and maintenance of Solar power generating facilities and other related activities.

The Company is also engaged in the business of : a) setting up of power plants, solar energy systems, renewable energy systems or any other facility including Hybrid Energy Systems & Energy Storage (BESS) & (ESS) plants with predominantly non fossil fuels to generate power and to produce and b) integrated solid waste/ biomass management including Waste to Energy using MSW (Municipal Solid Waste) as fuel for Power Generation, using Biomass as fuel for Power Generation, selective Power to Synthetic Gas using excess renewable power, Power Plant for the demand response market.

The Company was incorporated on March 9, 2017 as Rashmika Energy Private Limited. The Company was renamed as Sterling and Wilson Solar Private Limited on April 24, 2018. Further the Company was renamed to Sterling and Wilson Solar Limited on January 25, 2019. The Company was listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India on August 20, 2019.

Effective December 30, 2021, the Company became an Associate of Shapoorji Pallonji and Company Private Limited ("SPCPL"). Prior to this date it was a subsidiary of SPCPL.

2 Basis of preparation of the standalone financial statements

a Statement of compliance

The accompanying standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on April 7, 2022.

b Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest two decimal places in crore during the year ended March 31, 2022, unless otherwise stated.

c Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following:-

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- employee's defined benefit plan as per actuarial valuation.

d Use of estimates and judgments

The preparation of the standalone financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 are as follows:

(i) Evaluation of percentage of completion

Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

completion, costs to completion, the expected revenue from the project or activity and foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the standalone financial statements for the year in which such changes are determined.

(ia) Estimation uncertanity related to COVID-19

The Company has also assessed the possible impact of COVID-19 in preparation of the standalone financial statements, including but not limited to its assessment of liquidity, recoverable values of its financial and non-financial assets including impact on estimated costs to be incurred towards all projects under execution. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these standalone financial statements, and this will continue to closely monitor any material changes to future economic conditions (Also refer note 60).

(ii) Estimated useful lives of property, plant and equipment and intangible assets

The Company estimates the useful lives of property, plant and equipment and intangible assets based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment and intangible assets is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different based from that prescribed in Schedule II of the Act, they are based on internal technical evaluation. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised. The estimation of residual value of assets is based on management's judgment about the condition of such asset at the point of sale of asset.

(iii) Recoverability of deferred income tax assets

In determining the recoverability of deferred income tax assets, the Company primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Company reviews its deferred income tax assets at every reporting year/period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

(iv) Measurement of defined benefit obligations and other employee benefit obligations

The Company's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the year/period in which the employee renders the related services are recognised as a liability at the present value of the other long-term employment benefits.To the extent, the employee has an unconditional right to avail the leave, the same needs to be classified as "current" even though the same is measured as 'other long-term employee benefit' as per Ind AS-19 Employee Benefits.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

The present value of the obligation is determined based on actuarial valuation at the balance sheet date by an Independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. 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 balance sheet date.

(v) Provision for obsolete inventory

The Company reviews its inventory to assess loss on account of obsolescence on a regular basis. In determining whether provision for obsolescence should be recorded in the standalone statement of profit and loss, the Company makes judgments as to whether there is any observable data indicating that there is any future saleability of the product, including demand forecasts and shelf life of the product. The provision for obsolescence of inventory is based on the ageing and past movement of the inventory.

(vi) Impairment losses on financial assets

The Company reviews its financial assets to assess impairment at regular intervals. The Company's credit risk is primarily attributable to its financial assets. In determining whether impairment losses should be reported in the standalone statement of profit and loss, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

(vii) Impairment losses on investment

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(viii) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as

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the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting year/period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:-

- Note 52 – financial instruments.

(ix) **Estimation of provisions and contingencies**

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

(x) **Determination of lease term and discount rate**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

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.

3 Significant accounting policies

3.1 Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Company's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

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All other liabilities are classified as non-current.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

In respect of the engineering, procurement and construction services (EPC) segment of the Company, the construction projects usually have long gestation periods and based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 18 months for the purpose of current - non-current classification of assets and liabilities. For the other operations, the operating cycle is ascertained as 12 months for the purpose of current – non-current classification of the assets and liabilities.

3.2 Foreign currency

(i) Foreign currency transactions

- *Initial Recognition*

  All transactions that are not denominated in the Company's functional currency are foreign currency transactions. These transactions are initially recorded in the functional currency by applying the appropriate daily rate which best approximates the actual rate of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the standalone statement of profit and loss.

- *Measurement of foreign currency items at the reporting date*

  Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at 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 the transaction. Exchange differences are recognised in the standalone statement of profit and loss, except exchange differences arising from the translation of the equity investments classified as fair value through OCI (FVOCI) which is recognised in OCI.

(ii) Foreign operations

The assets and liabilities of foreign operations (branches), are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

When a foreign operation is disposed the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the standalone statement profit and loss as part of the gain or loss on disposal.

3.3 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.

(a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

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(b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

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Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (Continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

(i) Financial assets at FVTPL:
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the standalone statement of profit and loss.

(ii) Financial assets at amortised cost:
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the standalone statement of profit and loss. Any gain or loss on derecognition is recognised in the standalone statement of profit and loss.

(iii) Debt investments at FVOCI:
These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the standalone statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the standalone statement of profit and loss.

(iv) Equity investments at FVOCI:
These assets are subsequently measured at fair value. Dividends are recognised as income in the standalone statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the standalone statement of profit and loss.

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Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the standalone statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the standalone statement of profit and loss. Any gain or loss on derecognition is also recognised in the standalone statement of profit and loss. See Note 3.3 (e) for financial liabilities designated as hedging instruments.

(c) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the standalone statement of profit and loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the standalone statement of profit and loss.

The Company designates certain derivatives as hedging instruments to hedge variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective

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portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivatives is recognised immediately in the standalone statement of profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to the standalone statement of profit and loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or for other cash flow hedges, it is reclassified to the standalone statement of profit and loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the standalone statement of profit and loss.

3.4 Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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:

(i) in the principal market for the asset or liability; or

(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 : quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

3.5 Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses.

If the cost of an individual part of property, plant and equipment is significant relative to the total cost of the item, the individual part is accounted for and depreciated separately.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner

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intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the subsequent expenditure can be measured reliably.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the standalone statement of profit and loss as and when incurred.

Capital work in progress and Capital advances:

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

Depreciation

Depreciation on property, plant and equipment has been provided using the straight line method in the manner and at the rates prescribed by Schedule II of the Act, except for certain items of plant and machinery (such as welding machine, drilling machine, porta cabin etc. whose useful life has been estimated to be five years) wherein depreciation is provided based on the estimated useful lives of the plant and machinery so acquired, determined by the Company's management based on the technical evaluation carried out by the projects team. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The useful lives used, as set out in the following table, are lower / higher than or as those specified in Schedule II of the Act as under:

Assets	Life in no. of years	Schedule II useful lives
Plant and equipment	5 years to 25 years	15 years
Furniture and fixtures	3 years to 10 years	10 years
Vehicles	8 years to 10 years	8 years to 10 years
Computer hardware	3 years to 6 years	3 years / 6 years

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Lease hold improvements are amortised over the primary lease period or the useful life of the assets, whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Individual Assets costing INR 5,000 or less are fully depreciated in the year/period of purchase. The residual value of property, plant and equipment is estimated by management to be 5% of cost.

3.6 Other intangible assets

Intangible assets comprise primarily of computer software (including enterprise systems). Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Other intangible assets are amortised over an expected benefit period of one to ten years using straight line method.

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Derecognition

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the standalone statement of profit and loss in the year the asset is derecognised.

3.7 Leases

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract

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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 of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the tight to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

As a lessee

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Company measures right-of-use assets at cost less accumulated depreciation and any accumulated impairment losses.

Lease liabilities

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than 12 months or less and leases of low-value assets, including IT Equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Company's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

3.8 Inventories

Material at central stores comprises modules, wires, cables, components, stores and spares. Stock in trade comprises of land acquired for Solar EPC projects.

Inventories are valued at lower of cost or net realisable value; cost is determined on the moving weighted average method basis. 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.

3.9 Impairment

Impairment of non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

(i) Trade receivables, lease receivables and contract assets; and

(ii) Financial assets measured at amortised cost (other than trade receivables, lease receivables andcontract assets).

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In case of trade receivables, lease receivables and contract assets, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognition as loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of ECL.

ECL is the difference between all contractual cash flows that are due to the Company 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. Lifetime ECL are the expected credit losses resulting from all possible defaults events over the expected life of a financial asset. 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

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 is recognised as an impairment gain or loss in the standalone statement of profit and loss.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off during the year.

Impairment of non-financial assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the 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.

3.10Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

(i) Defined contribution plans

A defined contribution plan is a plan for the post employment benefit of an employee under which the Company pays fixed periodic contributions into Provident Fund and Employee State Insurance Corporations in accordance with Indian regulations. The Company has no further legal or constructive obligation to pay once contributions are made. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the standalone statement of profit and

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loss in the periods during which the related services are rendered by employees. In respect of foreign branch, the Company's contribution towards defined contribution benefit plan is accrued in compliance with the domestic laws of the country in which the standalone foreign branch operates.

(ii) Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. 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 balance sheet date.

All remeasurement gains and losses arising from defined benefit plans are recognised in the standalone statement of other comprehensive income in the year/period in which they occur and not reclassified to the standalone statement of profit and loss in the subsequent period. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the year/period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual year/period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year/period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the standalone statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the standalone statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs in the standalone statement of profit and loss.

Other long-term employee benefits

The Company's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated at the balance sheet date on the basis of an actuarial valuation done by an independent actuary using the projected unit credit Method and is discounted to its present value and the fair value of any related assets is deducted. Remeasurements gains or losses are recognised in the standalone statement of profit and loss in the year/period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the year/period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under long term employment benefits, are based on the market yields on Government securities as at the balance sheet date.

Equity settled share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate 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. The cumulative expense recognised for

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(Currency: Indian rupees in crore)

equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Standalone statement of profit and loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.11 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The policy for contingent asset should be as under:

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. However the same are disclosed in the standalone financial statements where an inflow of economic benefits is probable.

Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

3.12 Revenue recognition

Revenue from contracts with customers:

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

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Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue from works contracts and Income from designing and engineering services

Revenue from works contracts and Income from designing and engineering services, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability. Any variations in contract work, claims, incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

Revenue from sale of goods

The Company recognises revenue from sale of goods once the customer takes possession of the goods. Revenue represents the invoice value of goods provided to third parties net of discounts and taxes.

Operation and maintenance income

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e. input method on a straight line basis.

Contract assets

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

3.13 Export incentives

Export incentives receivable are accrued for when the right to receive the credit is established and there is no

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significant uncertainty regarding the ultimate collection of export proceeds. The export incentives are disclosed as other income in the standalone financial statements.

3.14 Recognition of dividend income, interest income or expense

Dividend income is recognised in the standalone statement of profit and loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.15 Income tax

Income-tax comprises current and deferred tax. It is recognised in the standalone statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using applicable tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the year/period when the asset is realised or the liability is settled, based on the laws that have been

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enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.16 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.17 Investments

Investments in equity shares of subsidiaries are recorded at cost and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the standalone statement of profit and loss. Cost of investments include acquisition charges such as brokerage, fees and duties. Profit or loss on sale of investments is determined on the basis of first in first out (FIFO) basis of carrying amount of investment disposed off.

3.18 Standalone statement of cash flows

The Company's standalone statement of cash flows are prepared using the Indirect method, whereby profit / (loss) for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Company's cash management.

3.19 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the year/period except where the results would be anti-dilutive.

3.20 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3.21 Business combination

Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserve, which is shown separately from other capital reserves.

The financial information in respect of prior periods is restated as if the business combination had occurred from

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the beginning of the preceding period in the standalone financial statements irrespective of the actual date of the combination.

3.22 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 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its standalone financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

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4 Property, plant and equipment and capital work-in-progress

Reconciliation of carrying amount for the year ended March 31, 2022

Particulars	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying amount :								
Balance as at April 1, 2021	**2.02**	**21.63**	**0.55**	**1.74**	**7.85**	**33.79**	**0.01**	**33.80**
Add: Additions during the year*	-	1.37	0.00	-	0.45	1.82	-	1.82
Add: Exchange differences on translation of foreign operations	-	0.16	0.02	0.02	(0.02)	0.18	-	0.18
Balance as at March 31, 2022	**2.02**	**23.16**	**0.57**	**1.76**	**8.28**	**35.79**	**0.01**	**35.80**
Accumulated depreciation and amortisation :								
Balance as at April 1, 2021	**0.25**	**7.77**	**0.25**	**0.51**	**5.06**	**13.84**	**-**	**13.84**
Add: Depreciation and amortisation for the year	0.23	3.84	0.05	0.14	1.58	5.84	-	5.84
Less: Disposals / Written off /Transferred during the year	-	-	-	-	-	-	0.01	0.01
Add: Exchange differences on translation of foreign operations*	-	(0.10)	0.01	(0.07)	0.00	(0.16)	-	(0.16)
Balance as at March 31, 2022	**0.48**	**11.51**	**0.31**	**0.58**	**6.64**	**19.52**	**(0.01)**	**19.51**
Carrying amounts (net)								
At April 1, 2021	**1.77**	**13.86**	**0.30**	**1.23**	**2.79**	**19.95**	**0.01**	**19.96**
At March 31, 2022	**1.54**	**11.65**	**0.26**	**1.18**	**1.64**	**16.27**	**(0.00)**	**16.29**

*Amount less than ₹ 0.01 crore

Reconciliation of carrying amount for the year ended March 31, 2021

Particulars	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying amount :								
Balance as at April 1, 2020 (Restated)	2.02	18.10	0.43	1.75	6.92	29.22	2.42	31.64
Add: Additions during the year	-	7.39	0.13	-	0.88	8.40	2.03	10.43
Less: Disposals/ transfer during the year	-	3.80	-	-	-	3.80	4.44	8.24
Add: Exchange differences on translation of foreign operations	-	(0.06)	(0.01)	(0.01)	0.05	(0.03)	-	(0.03)
Balance as at March 31, 2021	**2.02**	**21.63**	**0.55**	**1.74**	**7.85**	**33.79**	**0.01**	**33.80**
Accumulated depreciation and amortisation :								
Balance as at April 1, 2020 (Restated)	**0.02**	**6.98**	**0.13**	**0.30**	**3.58**	**11.01**	**-**	**11.01**
Add: Depreciation and amortisation for the year	0.23	2.88	0.11	0.21	1.49	4.92	-	4.92
Less: Disposals/ transfer during the year	-	2.10	-	-	-	2.10	-	2.10
Add: Exchange differences on translation of foreign operations	-	0.01	0.01	0.00	(0.01)	0.01	-	0.01
Balance as at March 31, 2021	**0.25**	**7.77**	**0.25**	**0.51**	**5.06**	**13.84**	**-**	**13.84**
Carrying amounts (net)								
At April 1, 2020 (Restated)	**2.00**	**11.12**	**0.30**	**1.45**	**3.34**	**18.21**	**2.42**	**20.63**
At March 31, 2021	**1.77**	**13.86**	**0.30**	**1.23**	**2.79**	**19.95**	**0.01**	**19.96**

Notes:

a) Nil amount of borrowing cost is capitalised during the year ended March 31, 2022 and March 31, 2021

b) Nil amount of impairment loss is recognised during the year ended March 31, 2022 and March 31, 2021.

c) Adjustments includes the exchange fluctuation of ₹ 0.18 crore on gross block for the year ended 31 March 2022 (31 March 2021: ₹ (0.03) crore) and ₹ 0.01 crore on accumulated depreciation / amortisation for the year ended 31 March 2022 (31 March 2021: ₹ 0.01 crore) due to translation of property, plant and equipment of all foreign branches at closing exchange rate.

d) All movable fixed assets with carrying amount of ₹ 14.73 crore (31 March 2021: ₹ 18.18 crore) are subject to first charge to secured bank loans obtained by the Company.

e) Ageing of capital work in progress:

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
March 31, 2022	-	-	-	-	-
March 31, 2021	0.01	-	-	-	0.01

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

5 Other Intangible Assets

Reconciliation of carrying amount for the year ended March 31, 2022

Particulars	Computer software	Intangible assets under development	Total
Balance as at April 1, 2021	**9.74**	**0.32**	**10.06**
Add: Additions during the year	0.06	-	0.06
Less: Disposals/ transfer during the year	-	-	-
Add: Exchange differences on translation of foreign operations*	0.00	-	0.00
Balance as at March 31, 2022	**9.80**	**0.32**	**10.12**
Balance as at April 1, 2020 (Restated)	**2.91**	**0.32**	**3.23**
Add: Additions during the year	6.83	-	6.83
Less: Disposals/ transfer during the year	-	-	-
Add: Exchange differences on translation of foreign operations*	0.00	-	0.00
Balance as at March 31, 2021	**9.74**	**0.32**	**10.06**
Accumulated amortisation and impairment losses:			
Balance as at April 1, 2021	**1.90**	**-**	**1.90**
Add: Amortisation change for the year	1.31	-	1.31
Less: Disposals/ transfer for the year	-	-	-
Add: Exchange differences on translation of foreign operations	0.03	-	0.03
Balance as at March 31, 2022	**3.24**	**-**	**3.24**
Balance as at April 1, 2020 (Restated)	**1.15**	**-**	**1.15**
Add: Amortisation change for the year	0.75	-	0.75
Less: Disposals/ transfer for the year	-	-	-
Add: Exchange differences on translation of foreign operations*	0.00	-	0.00
Balance as at March 31, 2021	**1.90**	**-**	**1.90**
Carrying amounts (net)			
At March 31, 2021	**7.84**	**0.32**	**8.16**
At March 31, 2022	**6.56**	**0.32**	**6.88**

*Amount less than ₹ 0.01 crore

Notes:

a) Nil amount of borrowing cost is capitalised during the year ended March 31, 2022 (March 31 2021: ₹ Nil).

b) Nil amount of impairment loss is recognised during the year ended March 31, 2022 (March 31, 2021: ₹ Nil).

c) Adjustments includes the exchange fluctuation of ₹ 0.00 crore* on gross block for the year ended March 31, 2022 (March 31, 2021: ₹ 0.00* crore) and ₹ 0.03 crore on accumulated amortisation for the year ended 31 March 2022 (March 31, 2021: ₹ 0.00* crore) due to translation of other intangible assets of all foreign branches at closing exchange rate.

d) Ageing schedule for Intangible assets under development is as follows :

Intangible assets under development	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
March 31, 2022	-		0.32	-	0.32
March 31, 2021	-	0.32	-	-	0.32

*Amount less than ₹ 0.01 crore

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6 Non-current Investments

Particulars	March 31, 2022	March 31, 2021
Investments in equity instruments		
Unquoted, in subsidiaries (at cost)		
Sterling and Wilson (Thailand) Limited	0.00	0.00
490 shares (March 31, 2021: 490 shares) of 100 baht each, 25 baht paid-up		
Sterling and Wilson Saudi Arabia Limited	1.78	1.78
9,500 shares (March 31, 2021: 9,500 shares) of Saudi Riyals 100 each, fully paid-up		
Sterling and Wilson International Solar FZCO	369.28	369.28
184,600 shares (March 31, 2021: 184,600 shares) of AED 1,000 each, fully paid-up		
Esterlina Solar Engineers Private Limited	0.01	0.01
10,000 shares (March 31, 2021: 10,000 shares) of ₹ 10 each, fully paid up		
Sterling and Wilson Solar LLC	1.92	1.92
105 shares (March 31, 2021: 105 shares) of OMR 1 each, fully paid up		
Sub-total	**372.99**	**372.99**
Less: Provision for impairment toward investment in Sterling and Wilson (Thailand) Limited and Sterling and Wilson Saudi Arabia Limited	(1.78)	(1.78)
	371.21	**371.21**
The aggregate book value of unquoted non-current investments are as follows:		
Aggregate book value of unquoted non-current investments	372.99	372.99
Aggregate amount of impairment in value of non-current investments	1.78	1.78
Aggregate carrying amount of non-current investments	371.21	371.21

Investment in partnership firm

(i) Particulars of the Company's interest in

Name of Subsidiary	Percentage of ownership	Country of incorporation
Sterling Wilson-SPCPL-Chint Moroccan Venture	92%	India

(ii) The aggregate amount of assets, liabilities, income and expenses related to the Company's interests in the above partnership firm as at March 31, 2022 and March 31, 2021 is as follows:

Particulars	March 31, 2022	March 31, 2021
i) Assets	78.17	110.05
ii) Liabilities	144.41	136.83
iii) Income	-	27.89
iv) Expenses (excluding Income tax expenses)	37.25	32.86
v) Net (loss) / profit for the year	(37.25)	(4.97)

(iii) The Company's share of capital commitments of the Subsidiary is ₹ Nil (March 31, 2021: ₹ Nil).

(iv) The Company's share of contingent liabilities of the Subsidiary is ₹ 0.13 crore (March 31, 2021: ₹ 0.13 crore).

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(v) The details of partners in the above partnership firm as at March 31, 2022 and March 31, 2021 are as under:

Name of Partners	Profit sharing ratio	Loss sharing ratio	Capital as at March 31, 2022*
Sterling and Wilson Renewable Energy Solar Limited (formerly known as Sterling and Wilson Solar Limited)	92%	92%	-
Shapoorji Pallonji and Company Private Limited	5%	5%	-
Astronergy Solar India Private Limited	3%	3%	-

* Refer note 42 for capital commitment towards partner's capital contribution.

7 Other Non-current Financial Assets

Particulars	March 31, 2022	March 31, 2021
Fixed deposits with banks * (due to mature after 12 months from reporting date)	4.00	5.17
Security deposit	0.77	0.77
	4.77	**5.94**

*The balance in deposit accounts of ₹ 4.00 crore (March 31, 2021: ₹ 5.17) is towards lien against the bank guarantees / performance guarantees issued by the Company in favour of various customers.

8 Deferred tax Assets (net)

Particulars	March 31, 2022	March 31, 2021
Deferred tax assets		
Employee benefits	8.35	8.15
Carryforward business loss	43.10	17.77
Unabsorbed depreciation	3.27	1.95
Expected credit loss on financial assets	13.68	10.43
Provision for mark to market losses on derivative instruments (net)	5.13	22.77
Provision for liquidated damages	29.53	17.54
Amortisation of expenses on demerger*	-	-
Excess of depreciation as per book depreciation over Income tax Act, 1961	0.01	-
Others	2.67	2.75
	105.74	**81.36**
Deferred tax liabilities		
Excess of depreciation as per Income tax Act, 1961 over book depreciation	-	(0.49)
Amortisation of expenses on demerger	(0.01)	(0.01)
Others	-	-
	(0.01)	**(0.50)**
Deferred tax assets, net	**105.73**	**80.86**
Deferred tax assets (net)	**105.73**	**80.86**

*Amount less than ₹ 0.01 crore

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

9 Non current tax assets (net)

Particulars	March 31, 2022	March 31, 2021
Advance tax	42.21	36.60
	42.21	**36.60**

10 Other Non-current Assets

(Unsecured, considered good)

Particulars	March 31, 2022	March 31, 2021
To parties other than related parties		
Balance with government authorities	1.85	1.85
	1.85	**1.85**

11 Inventories

(valued at lower of cost or net realisable value unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
Construction materials, stores and spare parts	2.76	1.95
Stock-in-trade	1.14	1.14
	3.90	**3.09**
Carrying amount of inventories (included above) pledged as securities for borrowings	3.90	3.09
The write-down /(reversal of write-down) of inventories to net realisable value during the year	-	-
Carrying amount of inventories (included above) in transit	-	-

12 Trade Receivables

(Unsecured)

Particulars	March 31, 2022	March 31, 2021
Trade Receivables		
- Considered good (refer note 52)	589.78	769.99
- Significant increase in credit risk	-	-
- Credit impaired	54.37	41.44
	644.15	**811.43**
Less: allowance*	(54.37)	(41.44)
Net trade receivables	**589.78**	**769.99**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	164.04	211.47
Loss allowances	16.01	9.75

*The loss allowance on trade receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for trade receivables considered good on the basis that credit risk exists even though it may be very low.

The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 52 and 55, also refer note 54. As at March 31, 2022, trade receivables includes retention of ₹ Nil (31 March 2021: ₹ Nil) relating to construction contracts in progress.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2022	March 31, 2021
Shapoorji Pallonji and Company Private Limited	57.31	82.67
Sterling and Wilson International Solar FZCO	0.30	1.69
Sterling and Wilson Private Limited	1.62	-
Sterling Generators Private Limited (formerly known as Sterling and Wilson Powergen Private Limited)	0.47	1.58
	59.70	**85.94**

Ageing for trade receivables outstanding as at March 31, 2022 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	150.87	80.22	57.78	25.47	275.44	589.78
Undisputed trade receivables - credit impaired	-	-	-	-	22.69	22.69
Disputed trade receivables - credit impaired	-	-	-	-	31.68	31.68
	150.87	**80.22**	**57.78**	**25.47**	**329.81**	**644.15**
Less: Loss allowances						(54.37)
						589.78

Ageing for trade receivables outstanding as at March 31, 2021 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	327.28	80.66	69.88	215.12	77.04	769.98
Undisputed trade receivables - credit impaired	-	-	-	-	9.76	9.76
Disputed trade receivables - credit impaired	-	-	-	-	31.69	31.69
	327.28	**80.66**	**69.88**	**215.12**	**118.49**	**811.43**
Less: Loss allowances						(41.44)
						769.99

13 Cash and Cash Equivalents

Particulars	March 31, 2022	March 31, 2021
Balances with Bank		
- in current accounts	344.50	113.55
Cheques on hand	-	8.38
Cash on hand	0.35	0.76
	344.85	**122.69**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

14 Bank Balances Other Than Cash and Cash Equivalents

Particulars	March 31, 2022	March 31, 2021
Balances with banks		
- in current accounts*	2.92	2.31
- Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)**	32.68	43.54
	35.60	**45.85**

* Current account balances with banks include ₹ 1.34 crore (March 31, 2021: ₹ 2.30 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, an amount of ₹ 1.57 crore (March 31, 2021: ₹ Nil) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (March 31, 2021: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

** The balance in deposit accounts includes ₹ 32.68 crore (March 31, 2021: ₹ 43.54 crore) towards lien against the bank guarantees / performance guarantees issued by the Company in favour of various customers and other commitments.

15 Loans (Current)

(Secured)

Particulars	March 31, 2022	March 31, 2021
To related parties		
Inter-corporate deposits given to fellow subsidiaries	-	397.55
(Unsecured)		
To related parties		
Inter-corporate deposits / Loans given to subsidiaries (net)	152.92	154.60
Loans given to subsidiaries	0.13	0.13
Less: Provision for doubtful loans	(0.13)	(0.13)
To parties other than related parties		
Loan to employees	1.04	0.73
	153.96	**552.88**

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2022	March 31, 2021
Inter-corporate deposits/ Loans given to subsidiaries and fellow subsidiaries		
Sterling and Wilson Private Limited (net)	-	397.55
Sterling and Wilson International Solar FZCO	110.66	107.31
Sterling and Wilson (Thailand) Limited	0.13	0.13
Sterling Wilson-SPCPL-Chint Moroccan Venture	42.26	47.29
	153.05	**552.28**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

16 Derivatives

Particulars	March 31, 2022	March 31, 2021
Foreign currency forward exchange contract assets	-	1.92
	-	**1.92**

17 Other Financial Assets

(Unsecured, considered good)

Particulars	March 31, 2022	March 31, 2021
To related parties		
Interest accrued on loan to subsidiaries and fellow subsidiaries	7.63	15.24
Recoverable amounts from subsidiaries and others	718.60	599.20
Interest accrued on loan to subsidiaries	0.02	0.02
Less: Provision for impairment	(0.02)	(0.02)
To parties other than related parties		
(Unsecured, considered good)		
Interest accrued on fixed deposits	-	0.76
Security deposits	6.41	7.31
Interest receivable from customer	-	6.27
Other receivables** (refer note 54, 55 and 57)	607.12	81.50
	1,339.76	**710.28**

**includes receivable towards encashment of irrevocable letter of credit, insurance claims, export incentive, claim against suppliers etc.

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2022	March 31, 2021
Interest accrued on loan to subsidiaries and fellow subsidiaries		
Sterling Wilson SPCPL -Chint Moroccan Venture	7.63	4.01
Sterling and Wilson International Solar FZCO	-	11.23
Sterling and Wilson (Thailand) Limited	0.02	0.02
	7.65	**15.26**
Recoverable expenses from shareholders, subsidiaries and others		
Shapoorji Pallonji and Company Private Limited	4.08	-
Sterling and Wilson International Solar FZCO	513.34	598.43
Sterling and Wilson Solar Australia Pty. Ltd.	183.00	0.74
Sterling and Wilson Co-Gen Solutions Private Limited	0.01	-
Sterling and Wilson Solar LLC	7.95	-
Sterling and Wilson Private Limited	10.05	0.03
	718.43	**599.20**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

18 Other Current Assets

(Unsecured, considered good)

Particulars	March 31, 2022	March 31, 2021
To related parties		
Unbilled receivables	1.01	6.41
Advances for supply of goods and services	40.20	127.89
To parties other than related parties		
Unbilled receivables	560.57	598.11
Advances for supply of goods and services	51.66	54.05
Balance with government authorities	293.80	246.75
Prepayments	3.31	5.76
Advance to employees	0.44	0.32
	950.99	**1,039.29**

*Amount less than ₹ 0.01 crore

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2022	March 31, 2021
Unbilled receivables		
Shapoorji Pallonji and Company Private Limited	0.97	0.53
Forbes & Company Limited	0.01	-
Sterling and Wilson Private Limited	0.03	0.15
	1.01	**0.68**
Advances for supply of goods and services		
Sterling and Wilson International Solar FZCO	20.28	59.93
Sterling and Wilson Solar Australia Pty. Ltd.	-	67.96
GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	19.92	-
	40.20	**127.89**

19 Equity Share Capital

Particulars	March 31, 2022	March 31, 2021
Authorised		
500,000,000 equity shares of Re 1 each (March 31, 2021: 500,000,000 equity shares of Re 1 each)	50.00	50.00
1,000,000 preference shares of ₹ 100 each (March 31, 2021: 1,000,000 equity shares of ₹ 100 each)	10.00	10.00
Issued, subscribed and fully paid up:		
189,693,333 Equity shares of Re 1 each (March 31, 2021: 160,360,000 equity shares of Re 1 each) fully paid-up	18.97	16.04
	18.97	**16.04**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

(A) Reconciliation of shares outstanding at the beginning and at the end of reporting year:

Particulars	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Equity shares				
Balance as at beginning and at the end of the year	160,360,000	16.04	160,360,000	16.04
Add: Equity share ssued during the year	29,333,333	2.93	-	-
Balance as at the end of the year	**189,693,333**	**18.97**	**160,360,000**	**16.04**

(B) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares hel.

(C) Shares held by holding company

Particulars	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Equity shares				
Shapoorji Pallonji and Company Private Limited, the holding company*	-	-	81,110,790	8.11

*Pursuant to the Share Subscription Agreement ("SSA") dated October 10, 2021 entered into between the Company, Shapoorji Pallonji and Company Private Limited ("SPCPL"), Mr. Khurshed Yazdi Daruvala and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) ("RNEL"), 29,333,333 equity shares were allotted by the Company on December 30, 2021 to RNEL on a preferential basis. Pursuant to the Share Purchase Agreement ("SPA") dated October 10, 2021 entered into between SPCPL, Mr. Khurshed Yazdi Daruvala and RNEL, SPCPL has sold 18,400,000 equity shares of the Company to RNEL on January 06, 2022. Also, pursuant to the open offer made by RNEL, 8,476,251 equity shares were acquired by RNEL on January 28, 2022. Further, SPCPL and Mr. Khurshed Yazdi Daruvala have sold 15,380,904 and 4,286,846 equity shares respectively to RNEL on February 09, 2022. On completion of all the above, RNEL holds 75,877,334 equity shares representing 40.00% of the total share capital of the Company as on date. Accordingly effective December 30 2021 the Company ceased to be a subsidiary of SPCPL.

(D) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	March 31, 2022		March 31, 2021	
	Number	% holding	Number	% holding
Equity shares				
Shapoorji Pallonji and Company Private Limited (Refer note (C) above)	47,329,886	24.95%	81,110,790	50.58%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited	75,877,334	40.00%	-	0.00%
Khurshed Daruvala, Chairman	11,384,544	6.00%	15,671,390	9.77%
Kainaz Khurshed Daruvala	13,000,200	6.85%	13,000,200	8.11%

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

(E) Details of shares held by promoters

31 March 2022

Promoter name	Number	% haolding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Equity shares					
Shapoorji Pallonji and Company Private Limited, the holding company	47,329,886	24.95%	-25.63%	81,110,790	50.58%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited)	75,877,334	40.00%	40.00%	-	0.00%
Khurshed Daruvala, Chairman	11,384,544	6.00%	-3.77%	15,671,390	9.77%

31 March 2022

Promoter name	Number	% haolding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Equity shares					
Shapoorji Pallonji and Company Private Limited, the holding company	81,110,790	50.58%	0.00%	81,110,790	50.58%
Khurshed Daruvala, Chairman	15,671,390	9.77%	-15.97%	41,274,990	25.74%

(F) Equity Shares allotted as fully paid-up without payment being received in cash

During the year ended 31 March 2018:

a) 16,036,000 equity shares were issued without payment being received in cash pursuant to the scheme of arrangement of merger of the Solar EPC ("S-EPC") business of Sterling and Wilson Private Limited along with certain subsidiaries engaged in the S-EPC business with the Holding Company.

b) 3,558 equity shares were issued without payment being received in cash on conversion of loan to equity.

(G) Employee stock option

On March 27, 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on May 30, 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective July 15, 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e.July 15, 2021. Refer note 44 for disclosure on share based payments.

20 Other Equity

Particulars	Note	March 31, 2022	March 31, 2021
Capital reserve on demerger	(i)	(181.74)	(181.74)
Capital redemption reserve*	(ii)	0.00	0.00
Securities premium reserve	(iii)	1,087.12	-
Employee stock option reserve	(iv)	3.71	-
Retained earnings	(v)	566.64	733.71
Effective portion of cash flow hedge	(vi)	(15.25)	(67.72)
Exchange difference on translating the financial statement of foreign operations	(vii)	21.78	11.69
		1,482.26	**495.94**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars		March 31, 2022	March 31, 2021
(i)	**Capital redemption reserve**		
	Balance as at the beginning of the year	(181.74)	(181.74)
	Balance as at the end of the year	**(181.74)**	**(181.74)**
(ii)	**Capital redemption reserve***		
	Balance as at the beginning of the year	0.00	-
	Add: Transferred from retained earnings	-	0.00
	Balance as at the end of the year	**0.00**	**0.00**
(iii)	**Securities premium reserve**		
	Balance as at the beginning of the year	-	-
	Add: Addition during the year (net of share issue expenses)	1,087.12	-
	Balance as at the end of the year	**1,087.12**	**-**
(iv)	Employee stock option reserve		
	Balance as at the beginning of the year	-	-
	Add: Addition during the year	3.71	-
	Balance as at the end of the year	**3.71**	**-**
(v)	**Retained earnings**		
	Balance as at the beginning of the year	733.71	844.95
	Add: (Loss) / Profit for the year	(167.52)	(111.44)
	Less: Transferred to Capital Redemption Reserve	-	-
	Less: Remeasurements of defined benefit liability, net of tax (refer note (vi) below)	0.45	0.20
	Less: Appropriations for dividend and dividend distribution tax (refer note (vii) below)	-	-
	Balance as at the end of the year	**566.64**	**733.71**
(vi)	**Effective portion of cash flow hedge**		
	Balance as at the beginning of the year	(67.72)	-
	Gain/(losses) on hedging instruments in cash flow hedges, net of tax	11.22	(114.93)
	Effective portion of (gain)/losses on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	41.25	47.21
	Balance as at the end of the year	**(15.25)**	**(67.72)**
(vii)	**Exchange difference on translating the financial statement of foreign operations**		
	Balance as at the beginning of the year	11.69	23.15
	Add: Exchange difference on translation of foreign operations arisen during the year	10.09	(11.46)
	Balance as at the end of the year	**21.78**	**11.69**
Total		**1,482.26**	**495.94**

*Amount less than ₹ 0.01 crore

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

(i) Capital reserve on demerger

The Company's capital reserve on demerger is on account of the difference between the net assets and liabilities taken over relating to the Solar-EPC business pursuant to the scheme of arrangement.

(ii) Capital redemption reserve

Capital redemption reserve comprises of an amount equal to nominal value of Class B share bought back out of free reserves of Sterling & Wilson - Waaree Private Limited ('SWWPL'), SWWPL has been merged with the Company effective from April 1, 2020 (Refer note 4). Capital redemption reserve is created out of profits available for distribution towards buy back of equity share of the SWWPL. This reserve can be used for the purpose of issue of Bonus shares.

(iii) Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Employee stock option reserve

Employee stock option reserve represents the cumulative amounts charged to profit in respect of employee share option arrangements where the scheme has not yet been settled by means of an award of shares to an employees.

(v) Retained earnings

Retained earnings are the (loss) / profits that the Group has incurred / earned till date, less any transfers to general reserve, dividends or other distributions paid to the owners of the Group and also includes Remeasurements of defined benefit liability, net of tax.

(vi) Effective portion of cash flow hedge

The Company has designated its hedging instruments as cash flow hedges and any effective portion of cash flow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the standalone statement of profit and loss. On settlement of the hedging instruments, the balance is re-cycled to the standalone statement of profit and loss.

(vii) Exchange difference on translating the financial statement of foreign operations

These comprise of all exchange differences arising from translation of financial statements of foreign operations.

Analysis of accumulated Other comprehensive income, net of tax

Remeasurement of Defined Benefit Liability

Particulars	March 31, 2022	March 31, 2021
Opening balance	(2.13)	(2.33)
Gain / (Loss) on remeasurement of defined benefit liability, net of tax	0.45	0.20
Closing balance	**(1.68)**	**(2.13)**

21 Provisions (Non-current)

Particulars	March 31, 2022	March 31, 2021
Provision for employee benefits		
Gratuity (refer note 43)	9.56	9.56
Other provisions		
Others	11.00	11.00
	20.56	**20.56**

Others: The provisions for indirect taxes comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Provision for:	March 31, 2022	March 31, 2021
As at the beginning of the year	11.00	-
Add: Additions during the year (including foreign exchange adjustments)	-	11.00
Less: Write back/ Utilisation during the year (including foreign exchange adjustments)	-	-
As at the end of the year	**11.00**	**11.00**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

22 Current Borrowings

Particulars	March 31, 2022	March 31, 2021
Secured		
Cash credit loan (refer note (a) below)	46.37	97.79
Working capital loan from banks (refer note (b) below)	264.72	166.55
Commercial papers (refer note (c) below)	-	37.34
Unsecured		
Working capital loan from banks (refer note (d) below)	-	25.30
Packing credit facility from bank (refer note (e) below)	-	29.00
Loan from related parties (refer note (f) below)	-	29.75
Supplier credit facilities (refer note (g) below)	42.14	-
	353.23	**385.73**

Details of the security and repayment terms :

(a) Secured Cash Credit facilities from banks under consortium arrangement carrying amount as at March 31, 2022 of ₹ 46.37 Crore (March 31, 2021: ₹ 97.79 Crore). The bank includes Union Bank of India, State Bank of India, IDBI Bank Limited, DBS Bank India Limited, Axis Bank Limited, ICICI Bank Limited, IndusInd Bank Limited, IDFC First Bank Limited and RBL Bank Limited. The lead bank for the consortium arrangement is Union Bank of India. The Cash Credit is repayable on demand and carries a variable interest rate of 8.45% to 12.00% (March 31, 2021: 8.50% p.a. to 11.75% p.a.). The Cash Credit is secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company.

(b) Secured Working Capital Loan from banks under consortium arrangement carrying amount as at March 31, 2022 of ₹ 264.72 Crore, the banks includes Union Bank of India, State Bank of India, IDBI Bank Limited, DBS Bank India Limited, IndusInd Bank Limited, Axis Bank Limited, ICICI Bank Limited, RBL Bank Limited and IDFC First Bank Limited, the lead bank for the consortium arrangement is Union Bank of India. The loan carries a variable interest rate which ranges from 8.45% to 12.00%. The loans are secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. Working Capital Loan is subject to repayment / roll-over on due date, for a period of 30-180 days based on santioned terms and conditions. Secured working capital loan from banks under Consortium arrangement having carring amount as at March 31, 2021 of ₹ 166.55 crore, the bank includes Union Bank of India, State Bank of India, IDBI Bank Limited, DBS Bank India Limited, IndusInd Bank Limited, Axis Bank Limited, ICICI Bank Limited, RBL Bank Limited and IDFC First Bank Limited, the lead bank for the consortium arrangement is Union Bank of India. The loan carries a variable interest rate which ranges from 8.50% to 11.75%. The loans are secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. Working capital loan is subject to repayment / roll-over on due date, for a period of 30-180 days based on santioned terms and condition.

(c) Secured commercial paper from IIFCL Mutual Fund Infrastructure Debt Fund Series-I having carrying amount as at March 31, 2021 of ₹ 37.34 crore carries a discount rate of 9.75% p.a.. The commercial paper is repayable on December 2021 and was fully prepaid on October 14, 2021 along with interest upto the date of prepayment. The commercial paper is secured by charge on Inter corporate deposit receivable from Sterling and Wilson Private Limited, a fellow subsidiary of the Company upto Deember 29, 2021. The Commercial paper is listed on Bombay Stock Exchange on March 31, 2021.

(d) Unsecured Working Capital loan from HSBC Bank carrying amount as at March 31, 2022 of ₹ Nil (March 31, 2021: ₹ 25.30 Crore) carries a variable interest rate ranging from 10.20% p.a. to 10.70% p.a. (March 31, 2021: 10.20% p.a.

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

to 10.70% p.a.). The Company has repaid ₹ 0.30 Crore in April 2021, ₹ 5.00 Crore in May 2021, ₹ 5 Crore in June 2021, ₹ 5 Crore in July 2021 and remaining ₹ 10 Crore in October 2021.

(e) Unsecured Packing Credit facility from Deustsche Bank carrying amount as at March 31, 2022 of ₹ Nil carries a interest rate ranging from of 7.00% p.a. to 9.70% p.a. The Company has repaid ₹ 10 Crore in May 2021, ₹ 9 Crore in August 2021 and remaining ₹ 10 Crore in October 2021.

(f) Unsecured loan from Esterlina Solar Engineers Private Limited having carrying amount as at March 31, 2022 of ₹ Nil (March 31, 2021 ₹ 29.75 crore) carries a fixed interest of 11.00% p.a.. The loan is repayable on demand.

(g) Unsecured Supplier credit facilities from Oxyzo Financial Services Private Limited and OFB Tech Private Limited, carrying amount as at March 31, 2022 of ₹ 20.04 crore and 22.10 crore respectively (as at March 31, 2021: Nil) carries an interest rate of 12.00% p.a. and is repayable within 120 days from draw down date.

23 Trade Payables

Particulars	March 31, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	19.16	83.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,415.97	2,253.14
Acceptances *	8.25	42.87
	1,443.38	**2,379.75**

*Acceptances are repayable within a period of 180 days from the date of acceptance.

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	March 31, 2022	March 31, 2021
The principal amount remaining unpaid to any supplier as at the end of each accounting year	19.16	83.74
Interest due thereon	0.06	3.86
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 year) but without adding the interest specified under the MSMED Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the each accounting year	4.59	4.59
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	Nil	Nil

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	15.09	2.24	0.84	0.58	0.41	19.16
Undisputed dues - Others	16.87	169.25	643.33	318.47	135.41	132.64	1,415.97
Disputed dues - Others	-	-	-	-	-	-	-
Acceptances	-	8.25	-	-	-	-	8.25
	16.87	**192.59**	**645.57**	**319.31**	**135.99**	**133.05**	**1,443.38**

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	58.12	24.59	0.69	0.26	0.08	83.74
Undisputed dues - Others	14.04	267.05	1,441.51	279.44	163.48	87.62	2,253.14
Disputed dues - Others						-	-
Acceptances	-	42.87	-	-	-	-	42.87
	14.04	**368.04**	**1,466.10**	**280.13**	**163.74**	**87.70**	**2,379.75**

24 Derivatives

Particulars	March 31, 2022	March 31, 2021
Foreign currency forward exchange contract liabilities	20.37	92.39
	20.37	**92.39**

25 Other Financial Liabilities

Particulars	March 31, 2022	March 31, 2021
To related parties		
Payable on transfer of liabilities *	1.36	1.36
Interest accrued and not due	1.86	2.43
Employee benefits payable	-	0.22
Other payables **	-	0.11
To parties other than related parties		
Interest accrued and due :		
- to micro enterprises and small enterprises (refer note 24)	4.59	4.59
Interest accrued and not due		
- to others	0.31	0.31
- to banks	0.90	0.97
Payable towards buy-back of Equity share****	0.00	0.00
Employee expense payable	2.25	1.08
Payable for capital goods	-	0.68
Employee benefits payable	14.09	15.65
Other payables ***	53.12	36.56
	78.48	**63.96**

* Payable to fellow subsidary on account of transfer of branch w.e.f 1 January 2019

** Includes sitting fees payable and payable towards employee liability taken over

** Include share of loss in partnership firm recognised and payable on cancellation of forward contracts

**** Amounts less than ₹ 0.01 crore

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

26 Other Current Liabilities

Particulars	March 31, 2022	March 31, 2021
To parties other than related parties		
Advances from customers	383.46	200.77
Statutory dues payable :		
- Tax deducted and collected at source payable	1.83	5.82
- Goods and services tax payable	1.81	9.98
- Fringe benefit tax payable	0.07	0.26
- Provident fund payable	1.86	2.52
- Profession tax payable	0.03	0.03
- Employees State Insurance payable	0.23	0.23
- Value added tax payable	4.62	0.34
	393.91	**219.95**

27 Provisions Current

Particulars	March 31, 2022	March 31, 2021
Provision for employee benefits		
Gratuity (refer note 43)	0.22	0.24
Compensated absences (refer note 43)	21.15	20.34
Other provisions		
Provision for liquidated damages (refer note 54)	129.38	67.80
Provision for foreseeable loss/onerous contracts	-	0.22
Others	4.76	4.56
	155.51	**93.16**

Provision for liquidated damages:

Provision for liquidated damages: Liquidated damages are contractual obligations affecting the contract revenue in case of the works contracts with customers arising as a result of penalties from delays caused in the completion of a contract. For contracts delayed beyond the stipulated contract completion periods, management has estimated the liability that could arise on these contracts.

Provision for foreseeable loss/onerous contracts

In case of construction contracts, when it is probable that total contract costs will exceed total contract revenue, the expected loss (foreseeable loss) is recognised as an expense immediately in the statement of profit and loss.

Others:

Others include provision made towards Corporate social responsibility as per the requirements of Companies Act, 2013.

Provision for:	Liquidated damages	Provision for foreseeable loss	Others
As at April 1, 2021	67.80	0.22	4.56
Add: Additions during the year (including foreign exchange adjustments)	61.58	(0.22)	3.19
Less: Write back/ Utilisation during the year (including foreign exchange adjustments)	-	-	2.99
As at March 31, 2022	**129.38**	**-**	**4.76**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Provision for:	Liquidated damages	Provision for foreseeable loss	Others
As at April 1, 2020 (Restated)	48.02	-	
Add: Additions during the year (including foreign exchange adjustments)	51.31	0.22	4.56
Less: Write back during the year (including foreign exchange adjustments)	(31.53)	-	-
As at March 31, 2021	**67.80**	**0.22**	**4.56**

28 Current Tax Liabilities (Net)

Particulars	March 31, 2022	March 31, 2021
Provision for current tax (net of advance tax March 31, 2022: ₹ Nil crore and March 31, 2021: ₹ 123.23 crore)	-	2.33
	-	**2.33**

29 Revenue from Operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of services		
Income from works contracts	3,261.38	2,910.43
Revenue from operation and maintenance services	196.65	231.80
Income from designing and engineering services	-	24.83
Sale of products		
Sale of traded goods	-	0.89
Other operating income		
Sale of scrap	1.55	2.96
Liquidated damages recoved from vendor	-	5.26
	3,459.58	**3,176.17**

30 Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income under the effective interest method on:		
- deposits with banks	1.68	5.22
- other receivable and loan to subsidiaries and fellow subsidiaries	69.98	115.86
- loan to employees	0.01	0.05
- receivable from customers	0.32	1.59
Write back of expected credit loss on financial assets	-	1.01
Insurance claim received	5.23	1.94
Liabilities no longer required written back	-	10.17
Supplier balances written back	-	0.49
Export incentive	0.03	3.21
Other miscellaneous income	25.06	14.41
	102.31	**153.95**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

31 Cost of Construction Materials, Stores and Spare Parts

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory of materials at the beginning of the year	1.95	13.37
Add: Purchase during the year	1,682.51	2,018.41
Less : Inventory of materials at the end of the year	2.76	1.95
	1,681.70	**2,029.83**

32 Purchases of Stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost of traded goods purchased during the year	-	0.79
	-	**0.79**

33 Change in Inventory of Stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory of stock-in-trade at the beginning of the year	1.14	1.14
Inventory of stock-in-trade at the end of the year	1.14	1.14
Decrease in inventory	**-**	**-**

34 Direct Project Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Communication expenses	2.48	1.60
Stores and spare parts consumed	9.67	5.91
Legal and professional fees	11.26	18.56
Printing and stationery expenses	0.89	0.69
Insurance costs	5.01	5.96
Repairs and maintenance - others	12.73	2.18
Selling and marketing expenses	0.04	-
Traveling and conveyance expenses	11.05	8.98
Rent (refer note 51)	34.54	36.25
Rates and taxes	1.57	7.84
Electricity, power and fuel	4.12	3.70
Liquidated damages	3.12	7.33
Bank charges	64.44	53.93
Provision for foreseeable loss	-	0.22
Security Charges	24.04	16.65
Miscellaneous expenses	32.48	16.84
	217.44	**186.64**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	131.59	86.08
Contribution to provident fund and other funds (refer note 43)	8.09	1.64
Staff welfare expenses	29.42	9.00
	169.10	**96.72**
Sub-contractor expenses	1,283.94	766.11
	1,670.48	**1,049.47**

35 Employee Benefits Expense*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus#	105.77	101.15
Contribution to provident fund and other funds (refer note 43)	7.93	9.23
Gratuity (refer note 43)	2.27	4.02
Compensated absences (refer note 43)	3.76	4.26
Staff welfare expenses	5.10	3.68
	124.83	**122.34**

*Salaries, wages and bonus, Contribution to funds and Staff welfare expenses are net of ₹ 169.10 crore (31 March 2021: ₹ 96.72 crore), which pertain to site staff and are transferred to Direct project cost.

Includes ₹ 2.32 crore (31 March 2021: ₹ Nil) towards share based payments to employees, (Refer note 44)

36 Finance Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense		
- on secured loans	37.10	30.48
- on unsecured loans	13.60	23.51
- on dues of micro enterprises and small enterprises	0.06	3.86
- on lease liabilities	0.69	0.81
- on income tax and indirect taxes	1.11	3.56
- on others	11.21	0.80
Other borrowing costs	11.57	4.57
	75.34	**67.59**

37 Depreciation and Amortisation Expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	5.84	4.92
Depreciation on Right-of-use assets	0.75	2.53
Amortisation of intangible assets	1.31	0.75
	7.90	**8.20**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

38 Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Communication expenses	1.42	1.72
Stores and spare parts consumed	0.03	0.29
Legal and professional fees	18.87	11.90
Printing and stationery expenses	0.15	0.13
Insurance costs	3.49	5.26
Repairs and maintenance - others	5.45	2.88
Selling and marketing expenses	4.41	0.41
Traveling and conveyance expenses	3.82	3.68
Rent (refer note 51)	6.34	9.55
Rates and taxes	2.81	12.01
Electricity, power and fuel	0.25	0.62
Payment to auditors (refer note (a) below)	0.75	1.09
Foreign exchange loss (net)	28.75	26.72
Loss on sale of fixed assets (net)	-	0.26
Property, plant and equipment written off	-	0.76
Management support fees	1.98	10.45
Business support services charges**	12.40	-
Bank charges (net)	5.34	11.15
Security Charges	0.34	0.62
Corporate social responsibility expenses (refer note 47)	4.01	6.66
Loans and advances written off	-	2.33
Bad debts written off	-	0.32
Share of loss in partnership firm	34.27	4.22
Expected credit loss on financial assets	12.93	19.75
Mark-to-market losses on derivative instruments (net)	55.15	56.87
Miscellaneous expenses	4.10	4.92
	207.06	**194.57**

(a) Payment to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor		
Statutory audit*	0.74	0.85
In other capacity		
Tax audit	0.04	0.04
Taxation services	0.11	-
Certification services*	0.16	0.13
Other services (including reimbursement of expenses)	0.03	0.07
	1.08	**1.09**

*Include ₹ 0.10 crore and ₹ 0.06 crore towards statutory audit and certification services, respectively, paid to erstwhile auditors of the Company.

**Business support service charges amounting to ₹ 20.33 crore for the year ended 31 March 2021 were allocated ₹ 10.78 crore to Employee benefits expense and ₹ 9.75 crore to various heads of Other expenses.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

39 Income Taxes

a) Amount recognised in the Standalone statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expense :		
Current year	-	-
Changes in estimate related to prior years	4.81	-
	4.81	**0.00**
Deferred tax charge :		
Origination and reversal of temporary differences	(42.71)	(31.23)
	(42.71)	**(31.23)**
Tax expenses for the year	**(37.90)**	**(31.23)**

b) Income tax recognised in other comprehensive income

Particulars	March 31, 2022		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to Standalone statement of profit or loss			
Remeasurement (losses) on post employment defined benefit plan	0.60	(0.15)	0.45
Items that will be reclassified to Standalone statement of profit or loss			
Effective portion of (losses) on hedging instruments in cash flow hedges	14.99	(3.77)	11.22
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss	55.13	(13.88)	41.25
Exchange differences in translating financial statements of foreign operations	10.09	-	10.09

Particulars	March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to Standalone statement of profit or loss			
Remeasurement (losses) on post employment defined benefit plan	0.27	(0.07)	0.20
Items that will be reclassified to Standalone statement of profit or loss			
Exchange differences in translating financial statements of foreign operations	(11.46)	-	(11.46)

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

c) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(Loss) before tax	(205.42)	(142.67)
Tax using the Company's domestic tax rate 25.168% (March 31, 2021: 25.168%)	(51.70)	(35.91)
Tax effect of:		
Non-deductible expenses	11.25	4.68
Deffered tax credit not recognised previously	(2.26)	-
Tax relating to previous period	4.81	-
Tax relating to previous period	-	(0.28)
Effective tax amount	**(37.90)**	**(31.23)**

d) The major components of deferred tax (liabilities) / assets arising on account of timing differences are as follows:

Movement in deferred tax balances for the year ended March 31, 2022

Particulars	Balance as on April 1, 2021	Recognised in profit or loss during the year	Other adjustments/ Forex	Recognised in OCI during the year	Balance as at March 31, 2022
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	(0.49)	0.50	-	-	0.01
Carryforward business loss	17.77	25.33	-	-	43.10
Unabsorbed depreciation	1.95	1.32	-	-	3.27
Expected credit loss on financial assets	10.43	3.25	-	-	13.68
Employee benefits	8.15	0.35	-	(0.15)	8.35
Remeasurements benefit of the defined benefit plans through OCI	-		-		-
Provision for mark to market losses on derivative instruments	-	22.78	-	(17.65)	5.13
Fair valuation of financial assets*	22.77	(22.77)	-	-	-
Fair valuation of financial liabilities	-	-	-	-	
Amortisation of expenses on merger	(0.01)	0.00	-	-	(0.01)
Provision for liquidated damages	17.54	12.03	(0.04)	-	29.53
Amortisation of preliminary expenses*	0.00	(0.00)	-	-	-
Other adjustments	2.75	(0.08)	-	-	2.67
Net deferred tax asset	**80.86**	**42.71**	**(0.04)**	**(17.80)**	**105.73**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Movement in deferred tax balances for the year ended March 31, 2021

Particulars	Balance as on April 1, 2020 (Restated)	Recognised in profit or loss during the year	Other adjustments/ Forex	Recognised in OCI during the year	Balance as at March 31, 2021
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	(0.16)	(0.33)	-	-	(0.49)
Carry forward business loss	-	17.77	-	-	17.77
Unabsorbed depreciation		1.95	-	-	1.95
Expected credit loss on financial assets	5.71	4.72	-	-	10.43
Employee benefits	7.72	0.50	-	(0.07)	8.15
Provision for mark to market losses on derivative instruments	1.59	(1.59)	-	-	-
Fair valuation of financial assets	-	-	-	22.77	22.77
Amortisation of expenses on merger	(0.02)	0.01	-	-	(0.01)
Provision for liquidated damages	12.09	5.45	-	-	17.54
Amortisation of preliminary expenses	0.00	-	-	-	-
Other adjustments	-	2.75	-	-	2.75
Net deferred tax asset	**26.93**	**31.23**	**-**	**22.70**	**80.86**

Deferred tax assets for the carry forward of unused tax losses and unabsorbed depreciation are recognised as it is probable that future taxable profits will be available against which the unused tax losses and unabsorbed depreciation can be utilised.

Tax losses carried forward

	Year ended March 31, 2022	Expiry date	Year ended March 31, 2021	Expiry date
Expire	171.24	2029-31	72.49	2029-30
	171.24		**72.49**	
Never expire	12.98		7.74	

40 Earnings per share

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Basic earnings per share			
Numerator:			
(Loss) / Profit after tax attributable to equity shareholders	A	(167.52)	(111.44)
Denominator:			
Calculation of weighted average number of equity shares			
Number of equity shares at the beginning of the year		160,360,000	160,360,000
Add: Issued during the year		29,333,333	-
Number of equity shares outstanding at the end of the year		189,693,333	160,360,000
Weighted average number of equity shares outstanding during the year (based on date of issue of shares)	B	167,753,607	160,360,000
Basic and diluted earnings per share (₹)	A / B	(9.99)	(6.95)
Face value per share		1.00	1.00

Note:

1 The Company has incurred a loss for the year ended 31 March 2022 and accordingly, the effect of potential equity shares to be issued would be anti-dilutive.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

41 Financial Ratios

Ratios	Definition of ratio	March 31, 2022	March 31, 2021	Change	% Change	Reason for variance
Current ratio (times)	Current assets / Current liabilities	1.40	1.00	0.40	0.39	Refer note (a)
Debt-equity ratio (times)	Borrowings / Total equity	0.24	0.75	(0.52)	(0.69)	Refer note (b)
Debt service coverage ratio (times)	Losst before depreciation and amortisation, Interest on secured and unsecured loans, other borrowing costs and Tax / ((Interest on secured and unsecured loans + other borrowing cost) + (Unsecured current borrowings, excluding loan from related parties + Secured commercial paper))	(1.28)	(0.46)	(0.82)	1.78	Refer note (c)
Return on equity ratio (%)	Net profit after tax / Average Total equity	-16.64%	-18.35%	0.02	-9.32%	
Inventory turnover ratio (times)	Cost of construction materials, stores and spare parts +Purchases of stock in trade / Average value of inventory					Refer note (d)
Trade receivables turnover ratio (times)	Revenue from operations / Average trade receivables	5.09	2.75	2.34	0.85	Refer note (e)
Trade payables turnover ratio (times)	Total expenses excluding employee benefits expenses, finance costs and depreciation and amortisation expense / Average trade payables	1.77	1.36	0.41	0.30	Refer note (f)
Net capital turnover ratio (times)	Revenue from operations / Working capital (excluding borrowings)	2.61	8.06	(5.45)	(0.68)	Refer note (g)
Net profit ratio (times)	Profit after tax / Revenue from operations	(0.05)	(0.04)	(0.01)	0.25	
Return on capital employed (%)	Earnings before interest and taxes / Average capital employed	-15.12%	-14.37%	-0.75%	5.22%	

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Notes:

(a) Reduction in trade payables has caused an increase in the current ratio.

(b) Equity increased due to the infusion of capital of INR 1100 crore causing a reduction in the debt equity ratio.

(c) Reduction in project margins due to increase in module prices which also resulted in project delays and enhanced sub-contractor costs and overheads has led to the deterioration in the debt service coverage ratio.

(d) The Company is not engaged in the business of manufacturing or trading of goods or services and consequently this ratio is not applicable.

(e) Improved collection of current receivables had a consequent effect on the trade receivable to turnover ratio.

(f) Enhanced payment of trade payables during the year caused the change in the trade payable to turnover ratio.

(g) Bank guarantee encashment by customer (Refer Note 57) during the year and reduction in trade payables resulted in this ratio.

42 Contingent Liabilities and Commitments

Particulars	March 31, 2022	March 31, 2021
Contingent liabilities		
(a) Claims against Company not acknowledged as debts (Refer note 54):		
(i) The Claim against the Company under Andhra Pradesh Goods and Services Tax Act, 2017 and Rajasthan Goods and Services Tax Act, 2017 demanding tax, penalty and interest (net of provision) *	249.41	249.41
(ii) Demand raised by Income Tax authorities	66.63	-
(iii) Demand raised by Egypt VAT inspection authority	56.19	-
(iv) Liquidated damages not acknowledged as debt (net of provision)	608.78	-
	981.01	**249.41**

*The demand was raised on Sterling and Wilson Private Limited ('SWPL') by Authorities. However, Pursuant to the Scheme of Arrangement, the Business of the Company was held in trust by Sterling and Wilson Private Limited ('SWPL') with effect from March 9, 2017 till March 28, 2018 (the scheme become approved by Statutory Authorities). Accordingly, the contingent liability is considered in the books of the Company.

Particulars	March 31, 2022	March 31, 2021
Capital commitments		
Capital Commitment towards partner's capital contribution in Sterling Wilson - SPCPL - Chint Moroccan Venture	0.01	0.01
Capital commitment (net of advances) for procurement of property, plant and equipment	0.23	1.83
	0.24	**1.84**

Other commitments

a) The Company has issued letters of undertakings to provide need based financial support to its subsidiaries Sterling and Wilson Saudi Arabia Limited and Sterling and Wilson Solar LLC, Oman.

b) The Company had issued corporate guarantee to FirstRand Bank Limited ('FRBL') and outstanding as at March 31, 2022 is ZAR Nil crore (₹ Nil crore) (March 31, 2021: ZAR 25.00 crore (₹ 123.58 crore)) in respect of borrowing facility to be extended by the FRBL to step down subsidiary of the Company, Sterling and Wilson Engineering (Pty) Limited. The corporate guarantee stands cancelled as at March 31, 2022.

c) The Company had issued corporate guarantee to Emirates NBD Bank PJSC, Dubai, ('Bank') and outstanding as at March 31, 2022 is AED 18.30 crore (₹ 376.21

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

crore) (March 31, 2021: AED 18.30 crore (₹ 365.18 crore)) in respect of borrowing facility to be extended by Bank to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till November 12, 2023.

d) The Company had issued corporate guarantee to Union Bank of India, DIFC Branch ('UBI') and outstanding as at March 31, 2022 is USD 7.00 crore (₹ 528.64 crore) (March 31, 2021: USD 7.00 crore (₹ 513.08 crore)) in respect of borrowing facility to be extended by the UBI to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till March 1, 2025.

e) The Company had issued corporate guarantee to IndusInd Bank Limited, Gift city branch ('IndusInd') and outstanding as at March 31, 2022 is USD 0.60 crore (₹ 45.31 crore) (March 31, 2021: USD 0.60 crore (₹ 43.98 crore) in respect of borrowing facility to be extended by the IndusInd to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till April 27, 2022.

f) During the current year the Company had issued corporate guarantee to The Hongkong and Shanghai Banking Corporation Limited ('HSBC') and outstanding as at March 31, 2022 is AUD 1.70 crore (₹ 96.16 crore) in respect of borrowing facility to be extended by the HSBC to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till August 31, 2022.

g) During the current year, the Company has signed Corporate Guarantee cum Indemnity Agreement dated March 30, 2022 with its wholly owned subsidiary Sterling and Wilson International FZCO in respect of the Indemnity Agreement signed by the Company with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) and outstanding amount as at March 31, 2022 is USD 4.60 crore (₹ 353.75 crore). Also Refer Note 54.

h) The Hon'ble Supreme Court of India ("SC") by it's order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. In view of the management, the liability for the period from date of the SC order to March 31, 2019 is not significant. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

i) A customer in respect of a 93.30 MW DC Photovoltaic solar energy generation facility has initiated Arbitration proceedings for recovery of liquidated damages levied and (unsubstantiated) costs amounting to ₹ 234.70 crore (March 31, 2021: ₹ 227.57 crore). The Company has responded to the same as part of the proceedings. As on date the customer owes to the Company an overdue amount of ₹ 123.24 crore (March 31, 2021: ₹119.50 crore) towards EPC work with a further amount of ₹ 6.29 crore (March 31, 2021: ₹ 10.17 crore) towards unbilled receivable, pending certification of final invoice. The Company has also made a claim of ₹ 66.39 crore (March 31, 2021: ₹ 94.18 crore) towards prolongation cost, interest on overdue payment and other ancillary costs on the customer. Basis the contractual rights available, the management is confident of full recovery of the receivables and unbilled revenue as at March 31, 2022 and accordingly believes that no further provision is required pertaining to liquidated damages and costs as claimed by the customer. These amounts are covered under indemnity from the promotors of the Company (Refer note 54).

j) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its standalone financial statements. The Company's management does not reasonably expect that these legal notices, when ultimately concluded and determined, will have a material and adverse effect on Company's results of operations or financial condition.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

43 Employee Benefits

Defined contribution plan:

Contribution to provident fund and other funds aggregating to ₹ 16.02 crore (March 31, 2022: ₹ 10.87 crore) is recognised as an expense and included in 'Employee benefits expenses'.

Defined benefit plan and long-term employee benefits:

General description

Gratuity (Defined benefit plan)

In accordance with Indian law, the Company has a defined benefit gratuity plan. Every employee in India who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn basic salary) for each completed year of service subject to maximum of ₹ 0.20 crore.

Compensated absences (Long-term employee benefits)

Long term leave wages are payable to all eligible employees at the rate of daily gross salary for each day of accumulated leave on death or on resignation or upon retirement:-

Change in the present value of the defined benefit obligation

Particulars		March 31, 2022	March 31, 2021
I	**Reconciliation of the present value of defined benefit obligation**		
	Balance at the beginning of the year	9.80	9.27
	Benefits paid	(1.59)	1.61
	Current service cost	1.59	1.67
	Past Service Cost- Vested Benefits	-	-
	Net Interest cost	0.68	0.64
	Liability transferred in / acquisitions	0.18	0.15
	Liability transferred out	(0.22)	(0.05)
	Actuarial (gains) losses recognised in other comprehensive income		
	- changes in demographic assumptions	(0.02)	-
	- changes in financial assumptions	(0.54)	(0.10)
	- experience adjustments	(0.04)	(0.17)
	Balance at the end of the year	**9.84**	**9.80**
II	**Amount recognised in the standalone statement of profit and loss under employee benefits expense**		
	Current service cost	1.59	1.67
	Net interest cost	0.68	0.64
	Additional charge recognised during the year	-	1.71
		2.27	**4.02**
III	**Remeasurement recognised in other comprehensive income**		
	Actuarial gains on obligation for the year	0.60	0.27
		0.60	**0.27**

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars		March 31, 2022	March 31, 2021
IV	**Maturity profile of defined benefit obligation**		
	Within next 12 months	0.22	0.24
	Between 1 and 5 years	1.74	1.25
	Above 5 years	33.75	34.53
V	**Actuarial assumptions:**		
	Discount rate	7.31%	0.07
	Salary escalation	7.00%	0.07
	Employee turnover	Service < 5 : 14% Service>=5 : 2%	Service < 5 : 14% Service>=5 : 2%
	Mortality tables	Indian assured lives mortality (2012-14) (Urban)	Indian assured lives mortality (2006-08)
	Weighted average duration of the projected benefit obligation	16 years	17 years

VI Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

	Defined Benefit Plan	
	March 31, 2022	March 31, 2021
Defined Benefit Obligation - Discount rate + 100 basis points	(1.25)	(1.34)
Defined Benefit Obligation - Discount rate - 100 basis points	1.53	1.66
Defined Benefit Obligation - Salary escalation rate + 100 basis points	1.10	1.20
Defined Benefit Obligation - Salary escalation rate - 100 basis points	(0.99)	(1.07)
Defined Benefit Obligation - Employee turnover + 100 basis points	0.16	0.10
Defined Benefit Obligation - Employee turnover - 100 basis points	(0.20)	(0.12)

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The Company's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable to the Company.

Compensated absences

Compensated absences for employee benefits of ₹ 3.71 crore (March 31, 2021: ₹ 4.26 crore) expected to be paid in exchange for the services is recognised as an expense during the year.

44 Share Based Payments

On March 27, 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on May 30, 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective July 15, 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e. July 15, 2021.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars	March 31, 2022
Options granted and outstanding at the beginning of the year	-
Options granted during the year	1,301,213
Options exercised during the year	-
Options granted and outstanding at the end of the year	1,301,213

During the year ended, the Company has debited to the Statement of Profit and Loss ₹ 2.32 crore (March 31, 2021: Nil) towards the stock options granted to their employees, pursuant to the Scheme.

The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Particulars	March 31, 2022
Risk-free interest rate	5.14% - 6.11%
Expected life of options	4 years
Expected volatility	30% to 35%
Expected dividend over the life of the options	4.50%
Weighted average share price	297.65
Weighted average exercise price	238
Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life option

45 Disclosure pursuant to section 186 of the Companies Act, 2013

A. Details of Inter-corporate deposits/ Loans given by the Company are as follows:

Name of the entity	As at April 1, 2021	Conversion of loan to equity and interest accrued to loan (net)	Loan given during the year (refer note 49)	Loan repaid during the year (refer note 49)	Foreign exchange/ adjustment during the year	As at March 31, 2022
Sterling and Wilson Private Limited (refer note 1 below) (net)	397.55	-	-	(397.55)	-	-
Sterling and Wilson International Solar FZCO (refer note 2 below)	107.31	-	-	-	3.35	110.66
Sterling and Wilson (Thailand) Limited (refer note 3 below)	0.13	-	-	-	-	0.13
Esterlina Solar Engineers Private Limited (refer note 4)	(0.00)	-	31.04	(31.04)	-	(0.00)
Sterling Wilson - SPCPL - Chint Moroccan Venture (refer note 5 below)	47.29	-	13.01	(18.04)	-	42.26

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Name of the entity	As at April 1, 2020 (Restated)	Conversion of loan to equity and interest accrued to loan (net)	Loan given during the year (refer note 49)	Loan repaid during the year (refer note 49)	Foreign exchange/ adjustment during the year	As at March 31, 2021
Sterling and Wilson Private Limited (refer note 1 below)	576.06	-	-	(178.51)	-	397.55
Sterling and Wilson International Solar FZCO (refer note 2 below)*	373.42	(259.31)	-	-	(6.80)	107.31
Sterling and Wilson (Thailand) Limited (refer note 3 below)	0.13	-	-	-	-	0.13
Esterlina Solar Engineers Private Limited (refer note 4)	1.45	-	3.87	(5.32)	-	(0.00)
Sterling Wilson - SPCPL - Chint Moroccan Venture (refer note 5 below)	27.63	-	22.61	(2.95)	-	47.29

*During the year, the Company has converted USD 5.00 crore, equivalent to ₹ 367.53 crore, from loan to equity and USD 1.47 crore, equivalent to ₹ 108.22 crore, from interest accrued to loan (Refer note 53).

The Company has given loan to related parties which are repayable on demand, which are outstanding on March 31, 2022. The balance as at March 31, 2022 is ₹ 153.05 crore (31 March 2021: ₹ 552.28 crore). The same constitutes 100% (March 31, 2021: 28.02%) of the total loan given.

Note 1: Sterling and Wilson Private Limited

	March 31, 2022	March 31, 2021
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable by September 30, 2021	Repayable by September 30, 2021
Rate of Interest	13.88% to 14.66% p.a.	10.50% to 15.55% p.a.

Note 2: Sterling and Wilson International Solar FZCO

	March 31, 2022	March 31, 2021
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	8% p.a.	8% p.a.

Note 3: Sterling and Wilson (Thailand) Limited

	March 31, 2022	March 31, 2021
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	7.50% p.a.	7.50% p.a.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Note 4: Esterlina Solar Engineers Private Limited

	March 31, 2022	March 31, 2021
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	11.00% p.a.	11.00% p.a.

Note 5: Sterling Wilson - SPCPL - Chint Moroccan Venture

	March 31, 2022	March 31, 2021
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	11.00% p.a.	12.00% p.a.

C. Details of corporate guarantees given by the Company are as follows:

Name of the beneficiary	Purpose	As at April 1, 2021	Guarantees given during the year	Guarantees expired/ released during the year	Adjustment on account of exchange difference	As at March 31, 2022
Sterling and Wilson International Solar FZCO (Also Refer note 42 - Other commitments)	Borrowing facility	1,045.82	453.34	123.58	(25.48)	1,401.06

Name of the beneficiary	Purpose	As at April 1, 2020 (Restated)	Guarantees given during the year	Guarantees expired/ released during the year	Adjustment on account of exchange difference	As at March 31, 2021 (Restated)
Sterling and Wilson International Solar FZCO (Also Refer note 42 - Other commitments)	Borrowing facility	1,000.28	45.41	-	0.13	1,045.82

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

46 Disclosure under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Name of the entity and nature of transactions (loan given/ investment made/ guarantee given)	Purpose for which loan given/ investment made given to be utilised by the recipient	Balance as at		Movement during the year (net)	Maximum outstanding during the year	
		March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021
A. Investment in equity shares						
Sterling and Wilson (Thailand) Limited		0.00	0.00	-		
Sterling and Wilson Saudi Arabia Limited		1.78	1.78	-		
Sterling and Wilson International Solar FZCO*		369.28	369.28	-		
Esterlina Solar Engineers Private Limited		0.01	0.01	-		
Sterling and Wilson Solar LLC		1.92	1.92	-		
B. Inter-corporate deposits/ Loans						
Sterling and Wilson Private Limited	Working capital	-	397.55	(397.55)	397.55	576.06
Sterling and Wilson International Solar FZCO*	Working capital	110.66	107.31	3.35	110.66	373.42
Sterling Wilson - SPCPL - Chint Moroccan Venture	Working capital	42.26	47.29	(5.03)	47.29	47.29
Sterling and Wilson (Thailand) Limited	Working capital	0.13	0.13	-	0.13	0.13
Esterlina Solar Engineers Private Limited	Working capital	(0.00)	-0.00	0.00	31.04	2.78
C. Corporate guarantee issued						
Sterling and Wilson International Solar FZCO	Borrowing facility	1,401.06	1,045.82	355.24		

*During the previous year, the Company had converted USD 5.00 crore, equivalent to ₹ 367.53, from loan to equity.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

47 Corporate Social Responsibility

As per Section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised during the year on the activities which are specified in Schedule VII of the Companies Act 2013. The utilisation is done by way of direct contribution towards various activities and activities conducted by the Company.

The details set below are for the amount spent by the Company.

Particulars	March 31, 2022		
	In cash	Yet to be paid in cash	Total
A. Gross amount required to be spent by the Company during the year			4.01
B. Amount spent during the year ended March 31, 2022			
i) Community development in Methi village	0.10	-	0.10
ii) Rural area development	0.13	-	0.13
iii) Contribution to female cancer home	0.15	-	0.15
iv) Contribution towards school empowerment program	0.09	-	0.09
v) Contribution for project undertaken for Training-Cum-Employment of disabled persons	0.08	-	0.08
vi) Community water harvesting in drought prone regions	0.10	-	0.10
vii) Other donations and contributions	0.18	-	0.18
	0.82	**-**	**0.82**
C. Related party transactions in relation to Corporate Social Responsibility			-
D. Provision movement during the year			
Opening balance as at April 1, 2021			4.56
Addition during the year			3.19
Utilised during the year			3.00
Closing balance as at March 31, 2022			4.75

E. Unspent amount

Particulars	Opening balance	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
FY 2020-21	-	4.56	4.56	3.00	1.56
FY 2021-22	-	-	4.01	0.82	3.19
	-	**4.56**	**8.57**	**3.82**	**4.75**

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars			March 31,2021		
			In cash	Yet to be paid in cash	Total
A.	Gross amount required to be spent by the Company during the year				6.66
B.	Amount spent during the year ended March 31, 2021				
	i)	Renovation of Toilets & sanitation for Dombivali Mentally retarded School	0.13	-	0.13
	ii)	Education and Scholarship Program	0.60	-	0.60
	iii)	PM Care Fund	0.15	-	0.15
	iv)	Contribution for providing financial support to critical patient	0.23	-	0.23
	v)	Contribution for construction of boundry wall for School	0.27	-	0.27
	vi)	Community initiatives for the rural and tribal population to implement the water lifting and Lift Irrigation.	0.18	-	0.18
	vii)	Other donations and contributions	0.54	-	0.54
			2.10	**-**	**2.10**
C.	Related party transactions in relation to Corporate Social Responsibility				-
D.	Provision movement during the year				
	Opening balance				-
	Addition during the year				4.56
	Utilised during the year				-
	Closing balance				4.56

E. Unspent amount

Particulars	Opening balance	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
	-	-	6.66	2.10	4.56
	-	**-**	**6.66**	**2.10**	**4.56**

Notes to the Standalone Financial Statements

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48 Disclosure under Ind AS 115, Revenue from Contracts with Customers

A) The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

B) Disaggreagtion of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical area and the type of contract of revenue recognition. Disaggregated revenue with the Company's reportable segments is given in the note 50.

C) Reconciliation of contract assets and liabilities

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract assets*		
Unbilled receivables		
Contract assets at the beginning of the year	604.52	399.18
Less: Billing during the year	3,300.20	2,810.19
Add: Revenue recognised during the year	3,257.26	3,015.53
Contract assets as at the end of the year	**561.58**	**604.52**
Contract liabilities**		
Advance from customers		
Contract liabilities at the beginning of the year	200.77	151.53
Add: Addition during the year	383.46	200.77
Less: Applied during the year	200.77	151.53
Contract liabilities as at the end of the year	**383.46**	**200.77**

*The contract assets primarily relate to the Company's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected within 30-60 days from the date of invoicing.

**The contract liabilities primarily relates to the advances from customer towards on-going EPC projects and operation and maintainence projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

D) Reconciliation of revenue as per Ind AS 115

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from works contracts	3,310.71	3,211.03
Adjustment on account of:		
Less: Deferment of revenue pertaining to free operation and maintenance period	-	-
Less: Liquidated damages provided during the year	(49.33)	(43.98)
Add: Reversal of provision for liquidated damages	-	-
Total	**3,261.38**	**3,167.05**

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Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from designing and engineering services	-	24.83
Add: Adjustment during the year	-	-
Total	**-**	**24.83**
Revenue from operation and maintenance services	196.55	227.31
Adjustment on account of:		
Add: Recognition of revenue towards free operation and maintenance period	0.10	4.49
Total	**196.65**	**231.80**
Sale of traded goods	-	0.89
Add: Adjustment during the year	-	-
Total	**-**	**0.89**
Other operating income	1.55	8.22
Add: Adjustment during the year	-	-
Total	**1.55**	**8.22**

E) Performance obligation

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc. The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognizes the entire estimated loss in the year/period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the

Notes to the Standalone Financial Statements

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extent that may have been agreed with the customer and are capable of being reliably measured.

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

There is no revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at March 31, 2022 and March 31, 2021, except as disclosed below.

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at March 31, 2022 in respect of EPC contracts that have original expected duration of more than one year:

₹ in crore

March 31, 2022	0-2 years		More than 2 years	Total
Income from works contracts	849.19	-	-	849.19
	849.19	**-**	**-**	**849.19**

₹ in crore

March 31, 2021	0-2 years		More than 2 years	Total
Income from works contracts	2,171.07	-	-	2,171.07
	2,171.07	**-**	**-**	**2,171.07**

F) **Practical expedients:**

Applying the practical expedient in paragraph 63 of Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for EPC contracts that have original expected duration of one year or less.

49 Related Party Disclosures

A. Related parties and their relationship

	Category of related parties	
1)	**Holding company (upto December 29, 2021)**	Shapoorji Pallonji and Company Private Limited
2)	**Subsidiaries, direct and indirect holding**	Sterling and Wilson International Solar FZCO
		Sterling and Wilson (Thailand) Limited
		Sterling and Wilson Saudi Arabia Limited
		Sterling and Wilson Middle East Solar Energy L.L.C., Dubai
		Sterling and Wilson Engineering (Pty) Limited
		Sterling and Wilson Singapore Pte Limited
		Sterling and Wilson Kazakhstan LLP
		Sterling Wilson - SPCPL - Chint Moroccan Venture

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(Currency: Indian rupees in crore)

A.	**Related parties and their relationship**	
	Category of related parties	
		Esterlina Solar Engineers Private Limited
		Sterling and Wilson Solar Spain S.L. (formerly known as Renovable Energia Contracting S.L.)
		Sterling and Wilson Solar Solutions Inc.
		GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)
		Sterling Wilson Solar Solutions LLC
		Sterling and Wilson International LLP
		Sterling and Wilson Solar Australia Pty. Ltd.
		Sterling and Wilson Solar Malaysia Sdn. Bhd.
		Sterling and Wilson Solar LLC
3)	**Fellow subsidiaries (with which the Company has transaction and / or balances) *(Refer footnote below Part B)**	
		Shapoorji Pallonji Energy Egypt S.A.E
		Shapoorji Pallonji Infrastructure Capital Co Private Limited
		Shapoorji Pallonji Middle East LLC
		Sterling Generators Private Limited (formerly known as Sterling and Wilson Powergen Private Limited
		Sterling Generators Private Limited (merger with Sterling and Wilson Powergen Private Limited w.e.f. April 1, 2019)
		Shapoorji Pallonji Solar Holdings Private Limited
		Forbes & Company Limited
		Sterling and Wilson Private Limited
		Forvol International Services Limited
		Rihand Floating Solar Private Limited
		Sterling and Wilson International FZE
		Sterling and Wilson Co-Gen Solutions Private Limited
		Surajkiran Solar Technologies Private Limited (w.e.f August 5, 2020 upto March 25, 2021)
		Sterling Viking Power Private Limited
4)	**Key Management Personnel**	Mr. Khurshed Y Daruvala, Chairman
		Mr. Pallon Shapoor Mistry, Non-Executive Director
		Mr. Bikesh Ogra, Non-Executive Director
		Mr. Bahadur Dastoor, CFO
		Mr. Jagannadha Rao Ch. V., Company Secretary
		Mr. Chandra Thakur, Manager (w.e.f September 1, 2020)

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

B Transactions and balances with related parties

Related party disclosures for the year ended March 31, 2022

Sr. No.	Nature of transaction	Holding company / Associates *	Subsidiaries and Fellow subsidiaries/ Associate*	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts	32.68	0.23	-	32.91
II	Revenue from operation and maintenance services	-	4.98	-	4.98
III	Purchase of services	-	145.02	-	145.02
IV	Purchases of construction material	-	1,110.04	-	1,110.04
V	Advance received from customers	-	0.23	-	0.23
VI	Advance paid to vendors	-	25.40	-	25.40
VII	Management support fees	1.98	-	-	1.98
VIII	Interest income	-	69.99	-	69.99
IX	Other income	-	7.14	-	7.14
X	Corporate guarantee commission	-	10.42	-	10.42
XI	Recovery towards expenses and others	4.08	844.83	-	848.91
XII	Reimbursement of expenses	-	29.83	-	29.83
XIII	Remuneration and sitting fees paid	-	-	7.12	7.12
XIV	Interest expense	-	3.28	-	3.28
XV	Other expenses	0.52	-	-	0.52
XVI	Corporate guarantee issued	-	453.34	-	453.34
XVII	Corporate guarantee released	-	123.58	-	123.58
XVIII	Inter-corporate deposits/ Loan given	-	44.05	-	44.05
XIX	Short term borrowing obtained	-	0.36	-	0.36
XX	Inter-corporate deposits/ Loan repaid	-	446.65	-	446.65
XXI	Short term borrowing repaid	-	30.11	-	30.11
XXII	Interest receivable	-	7.65	-	7.65
XXIII	Interest payable	1.86	-	-	1.86
XXIV	Salaries payable	-	0.22	-	0.22
XXV	Trade Receivables	57.31	106.73	-	164.04
XXVI	Trade payable	6.14	1,046.67	-	1,052.81
XXVII	Outstanding advance to vendors	-	40.20	-	40.20
XXVIII	Other receivables	4.08	714.35	-	718.43
XXIX	Other Payables	-	1.36	-	1.36
XXX	Corporate guarantee outstanding	-	1,401.06	-	1,401.06
XXXI	Unbilled receivables	0.97	0.04	-	1.01
XXXII	Inter-corporate deposits/ Loan receivable	-	153.05	-	153.05

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associates *	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts				
	Shapoorji Pallonji and Company Private Limited	32.68	-	-	32.68
	Sterling and Wilson Private Limited		0.39		0.39
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	(1.93)		(1.93)
	Sterling Generators Private Limited		0.13		0.13
	Shapoorji Pallonji Solar Holdings Private Limited		1.64		1.64
II	Revenue from operation and maintenance services				
	Shapoorji Pallonji Energy Egypt S.A.E		4.60		4.60
	Forbes & Company Limited		0.04		0.04
	Sterling and Wilson Private Limited		0.34		0.34
III	Purchases of services				
	Sterling and Wilson Middle East Solar Energy L.L.C.		31.18		31.18
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		96.07		96.07
	Sterling and Wilson Private Limited		17.58		17.58
	Forvol International Services Limited		0.19		0.19
IV	Purchases of construction material				
	Sterling and Wilson Solar Australia Pty. Ltd.		303.17		303.17
	Sterling and Wilson Private Limited		0.18		0.18
	Sterling Generators Private Limited		0.08		0.08
	Sterling and Wilson International Solar FZCO		806.61		806.61
V	Advance received from customers				
	Shapoorji Pallonji Energy Egypt S.A.E		0.23		0.23
VI	Advance paid to vendors				
	Sterling and Wilson International Solar FZCO		5.48		5.48
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		19.92		19.92
VII	Management support fees				
	Shapoorji Pallonji and Company Private Limited	1.98			1.98
VIII	Interest income				
	Sterling and Wilson Private Limited		17.36		17.36
	Sterling Wilson - SPCPL - Chint Morrocan Venture		4.12		4.12

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associates *	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Esterlina Solar Engineers Private Limited		2.15		2.15
	Sterling and Wilson International Solar FZCO		46.36		46.36
IX	Other income				
	Sterling and Wilson International Solar FZCO		7.14		7.14
X	Corporate guarantee commission				
	Sterling and Wilson International Solar FZCO		10.42		10.42
XI	Recovery towards expenses and others				
	Shapoorji Pallonji and Company Private Limited	4.08	-		4.08
	Sterling and Wilson International Solar FZCO		632.82		632.82
	Sterling and Wilson Co-Gen Solutions Private Limited		0.05		0.05
	Esterlina Solar Engineers Private Limited		2.00		2.00
	Sterling and Wilson Middle East Solar Energy L.L.C.		22.55		22.55
	Sterling and Wilson Solar Australia Pty. Ltd.		175.83		175.83
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		11.58		11.58
XII	Reimbursement of expenses				
	Sterling and Wilson Private Limited		4.04		4.04
	Sterling and Wilson Solar Australia Pty. Ltd.		25.79		25.79
XIII	Remuneration and sitting fees paid				
	Mr. Khurshed Y Daruvala, Director				
	- Sitting fees			0.17	-
	Mr. Pallon Shapoor Mistry, Director				
	- Sitting fees			0.07	-
	Mr. Bikesh Ogra, Non-Executive Director				
	- Sitting fees			0.09	-
	Mr. Bahadur Dastoor, CFO				-
	- Remuneration			2.77	2.77
	- Post employment benefits**			0.03	0.03
	Mr. Jagannadha Rao Ch. V., Company Secretary				
	- Short-term employee benefits			1.60	1.60
	- Post-employment benefits**			0.08	0.08
	Mr. Chandra Thakur, Manager				
	- Short-term employee benefits			2.13	2.13
	- Post-employment benefits**			0.18	0.18

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associates *	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XIV	Interest expense				
	Esterlina Solar Engineers Private Limited		3.28		3.28
XV	Other expense				
	Shapoorji Pallonji and Company Private Limited	0.52			0.52
XVI	Corporate guarantee issued				
	Sterling and Wilson International Solar FZCO		453.34		453.34
XVII	Corporate guarantee released				
	Sterling and Wilson International Solar FZCO		123.58		123.58
XVIII	Inter-corporate deposits/ Loan given				
	Sterling Wilson - SPCPL - Chint Morrocan Venture		13.01		13.01
	Esterlina Solar Engineers Private Limited		31.04		31.04
XIX	Short term borrowing obtained				
	Esterlina Solar Engineers Private Limited		0.36		0.36
XX	Inter-corporate deposits/ Loan repaid				
	Sterling and Wilson Private Limited		397.57		397.57
	Esterlina Solar Engineers Private Limited		31.04		31.04
	Sterling Wilson - SPCPL - Chint Morrocan Venture		18.04		18.04
XXI	Short term borrowing obtained				
	Esterlina Solar Engineers Private Limited		30.11		30.11
XXII	Interest receivable				
	Sterling and Wilson (Thailand) Limited		0.02		0.02
	Sterling Wilson - SPCPL - Chint Moroccan Venture		7.63		7.63
XXIII	Interest payable				
	Shapoorji Pallonji and Company Private Limited	1.86			1.86
XXIV	Salaries payable				
	Mr. Bahadur Dastoor, CFO		0.10		0.10
	Mr. Jagannadha Rao Ch. V., Company Secretary		0.04		0.04
	Mr. Chandra Thakur, Manager		0.08		0.08
XXV	Trade receivables				
	Shapoorji Pallonji and Company Private Limited	57.31			57.31
	Shapoorji Pallonji Middle East LLC		0.85		0.85

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associates *	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Sterling Generators Private Limited		0.47		0.47
	Shapoorji Pallonji Infrastructure Capital Co Private Limited		32.57		32.57
	Shapoorji Pallonji Solar Holdings Private Limited		12.31		12.31
	Shapoorji Pallonji Energy Egypt S.A.E		1.55		1.55
	Sterling and Wilson International Solar FZCO		0.30		0.30
	Sterling Wilson - SPCPL - Chint Moroccan Venture		57.06		57.06
	Sterling and Wilson Private Limited		1.62		1.62
XXVI	Trade payable				
	Shapoorji Pallonji and Company Private Limited	6.14			6.14
	Forvol International Services Limited		0.00		0.00
	Sterling Generators Private Limited		0.45		0.45
	Sterling Viking Power Private Limited		0.02		0.02
	Sterling and Wilson Middle East Solar Energy L.L.C.		75.47		75.47
	Sterling and Wilson Solar Australia Pty. Ltd.		6.89		6.89
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		41.96		41.96
	Sterling and Wilson International Solar FZCO		921.88		921.88
XXVII	Outstanding advance to vendors				
	Sterling and Wilson International Solar FZCO		20.28		20.28
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		19.92		19.92
XXVIII	Other receivables				
	Shapoorji Pallonji and Company Private Limited	4.08	-		4.08
	Sterling and Wilson Private Limited		10.05		10.05
	Sterling and Wilson International Solar FZCO		513.34		513.34
	Sterling and Wilson Solar Australia Pty. Ltd.		183.00		183.00
	Sterling and Wilson Co-Gen Solutions Private Limited		0.01		0.01
	Sterling and Wilson Solar LLC		7.95		7.95
XXIX	Other payables				
	Sterling and Wilson Private Limited		1.36		1.36

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associates *	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XXX	Corporate guarantee outstanding				
	Sterling and Wilson International Solar FZCO		1,401.06		1,401.06
	Sterling and Wilson Solar LLC				-
XXXI	Unbilled receivables				
	Shapoorji Pallonji and Company Private Limited	0.97			0.97
	Forbes & Company Limited		0.01		0.01
	Sterling and Wilson Private Limited		0.03		0.03
XXXII	Inter-corporate deposits/ Loan receivable				
	Sterling Wilson - SPCPL - Chint Morrocan Venture		42.26		42.26
	Sterling and Wilson (Thailand) Limited	-	0.13		0.13
	Sterling and Wilson International Solar FZCO		110.66		110.66

*Effective 30 December 2021 the Company ceased to be a subsidiary of Shapoorji Pallonji and Company Private Limited ('SPCPL') (Refer note 19 (C). Consequently the Subsidiaries of SPCPL which were classified as Fellow Subsidiaries of the Company prior to 30 December 2021 will be classified as Associates post that date.

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

**Post employment benefits includes gratuity and leave encashment.

Related party disclosures for the year ended March 31, 2021

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts	37.40	19.55	-	56.95
II	Income from designing and engineering	-	24.83	-	24.83
III	Revenue from operation and maintenance services	-	6.58	-	6.58
IV	Sale of traded goods	-	1.18	-	1.18
V	Purchase of services	-	57.67	-	57.67
VI	Purchases of construction material	-	776.11	0.01	776.12
VII	Advance paid to vendors	-	163.67	-	163.67
VIII	Management support fees	10.45	-	-	10.45
IX	Interest income	-	115.86	-	115.86
X	Other income	-	1.11	-	1.11
XI	Corporate guarantee commission	-	10.38	-	10.38
XII	Recovery towards expenses and others	-	810.11	-	810.11

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XIII	Reimbursement of expenses	-	16.28	-	16.28
XIV	Purchase of intangible assets	-	6.20	-	6.20
XV	Remuneration and sitting fees paid	-	-	4.90	4.90
XVI	Interest expense	-	0.74	-	0.74
XVII	Other expenses	0.51	-	-	0.51
XVIII	Corporate guarantee issued	-	45.41	-	45.41
XIX	Inter-corporate deposits/ Loan given	-	26.48	-	26.48
XX	Inter-corporate deposits/ Loan taken	-	29.75	-	29.75
XXI	Inter-corporate deposits/ Loan repaid	-	186.78	-	186.78
XXII	Conversion of loan to equity	-	367.53	-	367.53
XXIII	Conversion of interest accrued to loan	-	108.22	-	108.22
XXIV	Transfer of trade receivable balances	45.50	-	-	45.50
XXV	Interest receivable	-	15.26	-	15.26
XXVI	Interest payable	1.86	0.56	-	2.42
XXVII	Salaries payable	-	-	0.22	0.22
XXVIII	Trade Receivables	82.67	128.80	-	211.47
XXIX	Trade payable	6.07	1,370.37	0.02	1,376.46
XXX	Outstanding advance to vendors	-	127.89	-	127.89
XXXI	Other receivables	-	599.20	-	599.20
XXXII	Other Payables	-	1.39	0.07	1.47
XXXIII	Corporate guarantee outstanding	-	1,045.82	-	1,045.82
XXXIV	Unbilled receivables	0.53	5.88	-	6.41
XXXV	Inter-corporate deposits payable	-	29.75	-	29.75
XXXVI	Inter-corporate deposits/ Loan receivable	-	552.28	-	552.28

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts				
	Shapoorji Pallonji and Company Private Limited	37.40	-	-	37.40
	Sterling and Wilson Private Limited	-	0.05	-	0.05
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	12.06	-	12.06
	Rihand Floating Solar Private Limited	-	0.30	-	0.30
	Sterling Generators Private Limited	-	0.10	-	0.10

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Shapoorji Pallonji Solar Holdings Private Limited	-	7.03	-	7.03
	Forbes & Company Ltd.	-	0.03	-	0.03
II	Income from designing and engineering				
	Sterling and Wilson Middle East Solar Energy L.L.C.	-	24.83	-	24.83
III	Revenue from operation and maintenance services				
	Shapoorji Pallonji Energy Egypt S.A.E	-	4.86	-	4.86
	Surajkiran Solar Technologies Private Limited	-	1.45	-	1.45
	Sterling and Wilson Private Limited	-	0.27	-	0.27
IV	Sale of traded goods				
	Sterling and Wilson International Solar FZCO	-	1.18	-	1.18
V	Purchases of services				
	Sterling and Wilson Middle East Solar Energy L.L.C.	-	31.05	-	31.05
	Sterling and Wilson Private Limited	-	26.41	-	26.41
	Forvol International Services Limited	-	0.20	-	0.20
VI	Purchases of construction material				
	Sterling Viking Power Private Limited	-	-	0.01	0.01
	Sterling Generators Private Limited	-	5.74	-	5.74
	Sterling and Wilson International Solar FZCO	-	770.37	-	770.37
VII	Advance paid to vendors				
	Sterling and Wilson International Solar FZCO	-	95.71	-	95.71
	Sterling and Wilson Solar Australia Pty. Ltd.	-	67.96	-	67.96
VIII	Management support fees				
	Shapoorji Pallonji and Company Private Limited	10.45	-	-	10.45
IX	Interest income				
	Sterling and Wilson Private Limited	-	73.70	-	73.70
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-	4.04	-	4.04
	Esterlina Solar Engineers Private Limited	-	0.14	-	0.14

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Sterling and Wilson International Solar FZCO	-	37.98	-	37.98
X	Other income				
	Sterling and Wilson International Solar FZCO	-	1.11	-	1.11
XI	Corporate guarantee commission				
	Sterling and Wilson International Solar FZCO	-	10.38	-	10.38
XII	Recovery towards expenses and others				
	Sterling and Wilson International Solar FZCO	-	807.55	-	807.55
	Sterling and Wilson Private Limited	-	1.78	-	1.78
	Sterling and Wilson Solar Australia Pty. Ltd.	-	0.74	-	0.74
	Sterling and Wilson Solar LLC	-	0.03	-	0.03
XIII	Reimbursement of expenses				
	Sterling and Wilson Private Limited	-	7.63	-	7.63
	Sterling and Wilson Solar Australia Pty. Ltd.	-	8.64	-	8.64
XIV	Purchase of intangible assets				
	Sterling and Wilson Private Limited	-	6.20	-	6.20
XV	Remuneration and sitting fees paid				
	Mr. Bahadur Dastoor, CFO				
	- Short-term employee benefits	-	-	2.18	2.18
	- Post-employment benefits	-	-	0.00	0.00
	- Other long-term benefits	-	-	0.04	0.04
	Mr. K. Kannan, Manager				
	- Short-term employee benefits	-	-	0.38	0.38
	- Post-employment benefits	-	-	0.02	0.02
	Mr. Jagannadha Rao Ch. V., Company Secretary				
	- Short-term employee benefits	-	-	1.03	1.03
	- Post-employment benefits	-	-	0.03	0.03
	- Other long-term benefits	-	-	0.11	0.11
	Mr. Chandra Thakur, Manager				
	- Short-term employee benefits	-	-	0.85	0.85
	- Post-employment benefits	-	-	0.02	0.02
	- Other long-term benefits	-	-	0.08	0.08
	Mr. Khurshed Y Daruvala, Chairman	-	-	0.08	0.08
	Mr. Pallon Shapoor Mistry, Non-Executive Director	-	-	0.05	0.05
	Mr. Bikesh Ogra, Non-Executive Director	-	-	0.04	0.04

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XVI	Interest expense				
	Esterlina Solar Engineers Private Limited	-	0.74	-	0.74
XVII	Other expense				
	Shapoorji Pallonji and Company Private Limited	0.51	-	-	0.51
XVIII	Corporate guarantee issued				
	Sterling and Wilson International Solar FZCO	-	45.41	-	45.41
XIX	Inter-corporate deposits/ Loan given				
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-	22.61	-	22.61
	Esterlina Solar Engineers Private Limited	-	3.87	-	3.87
XX	Inter-corporate deposits/ Loan taken				
	Esterlina Solar Engineers Private Limited	-	29.75	-	29.75
XXI	Inter-corporate deposits/ Loan repaid				
	Sterling and Wilson Private Limited	-	178.51	-	178.51
	Esterlina Solar Engineers Private Limited	-	5.32	-	5.32
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-	2.96	-	2.96
XXII	Conversion of loan to equity				
	Sterling and Wilson International Solar FZCO	-	367.53	-	367.53
XXIII	Conversion of interest accrued to loan				
	Sterling and Wilson International Solar FZCO	-	108.22	-	108.22
XXIV	Transfer of trade receivable balances				
	Shapoorji Pallonji and Company Private Limited	45.50	-	-	45.50
XXV	Interest receivable				
	Sterling Wilson SPCPL -Chint Moroccan Venture	-	4.01	-	4.01
	Sterling and Wilson (Thailand) Limited	-	0.02	-	0.02
	Sterling and Wilson International Solar FZCO	-	11.23	-	11.23
XXVI	Interest payable				
	Shapoorji Pallonji and Company Private Limited	1.86	-	-	1.86
	Esterlina Solar Engineers Private Limited	-	0.56	-	0.56

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XXVII	Salaries payable				
	Mr. Bahadur Dastoor, CFO	-	-	0.11	0.11
	Mr. Jagannadha Rao Ch. V., Company Secretary	-	-	0.03	0.03
	Mr. Chandra Thakur, Manager	-	-	0.08	0.08
XXVIII	Trade receivables				
	Shapoorji Pallonji and Company Private Limited	82.67	-	-	82.67
	Shapoorji Pallonji Energy Egypt S.A.E	-	3.33	-	3.33
	Shapoorji Pallonji Middle East LLC	-	0.85	-	0.85
	Sterling Generators Private Limited	-	1.58	-	1.58
	Sterling and Wilson International Solar FZCO	-	1.69	-	1.69
	Sterling and Wilson Middle East Solar Energy L.L.C.	-	24.83	-	24.83
	Forbes & Company Limited	-	0.05	-	0.05
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	31.42	-	31.42
	Shapoorji Pallonji Solar Holdings Private Limited	-	7.99	-	7.99
	Sterling Wilson - SPCPL - Chint Moroccan Venture	-	57.06	-	57.06
XXIX	Trade payable				
	Shapoorji Pallonji and Company Private Limited	6.07	-	-	6.07
	Forvol International Services Limited	-	0.20	-	0.20
	Sterling Generators Private Limited	-	5.95	-	5.95
	Sterling Viking Power Private Limited	-	-	0.02	0.02
	Sterling and Wilson Middle East Solar Energy L.L.C.	-	198.26	-	198.26
	Sterling and Wilson Solar Australia Pty. Ltd.	-	9.46	-	9.46
	Sterling and Wilson Private Limited	-	19.55	-	19.55
	Sterling and Wilson International Solar FZCO	-	1,136.94	-	1,136.94
XXX	Outstanding advance to vendors				
	Sterling and Wilson International Solar FZCO	-	59.93	-	59.93
	Sterling and Wilson Solar Australia Pty. Ltd.	-	67.96	-	67.96

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Subsidiaries and Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XXXI	Other receivables				
	Sterling and Wilson International Solar FZCO	-	598.43	-	598.43
	Sterling and Wilson Solar Australia Pty. Ltd.	-	0.74	-	0.74
	Sterling and Wilson Solar LLC	-	0.03	-	0.03
XXXII	Other payables				
	Sterling and Wilson Private Limited	-	1.36	-	1.36
	Sterling and Wilson Co-Gen Solutions Private Limited	-	0.04	-	0.04
	Mr. Khurshed Y Daruvala, Chairman	-	-	0.04	0.04
	Mr. Pallon Shapoor Mistry, Non-Executive Director	-	-	0.02	0.02
	Mr. Bikesh Ogra, Non-Executive Director	-	-	0.01	0.01
XXXIII	Corporate guarantee outstanding				
	Sterling and Wilson International Solar FZCO	-	1,045.82	-	1,045.82
XXXIV	Unbilled receivables				
	Shapoorji Pallonji and Company Private Limited	0.53	-	-	0.53
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	3.66	-	3.66
	Shapoorji Pallonji Solar Holdings Private Limited	-	1.92	-	1.92
	Forbes & Company Limited	-	0.01	-	0.01
	Rihand Floating Solar Private Limited	-	0.15	-	0.15
	Sterling and Wilson Private Limited	-	0.15	-	0.15
XXXV	Inter-corporate deposits payable				
	Esterlina Solar Engineers Private Limited	-	29.75	-	29.75
XXXVI	Inter-corporate deposits/ Loan receivable				
	Sterling and Wilson Private Limited	-	397.55	-	397.55
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-	47.29	-	47.29
	Sterling and Wilson (Thailand) Limited	-	0.13	-	0.13
	Sterling and Wilson International Solar FZCO	-	107.31	-	107.31

The Company has issued letters of undertakings to provide need based financial support to its subsidiaries Sterling and Wilson Saudi Arabia Limited and Sterling and Wilson Solar LLC, Oman.

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

50 Segment Reporting

A. Basis for segmentation

The Company is primarily engaged in the business of complete Turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Solar Power projects. The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on financial information for Solar EPC and Solar Operation and maintenance service based on analysis of various performance indicators viz. Profit after tax. Accordingly, the Company has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:

- Engineering, Procurement and Construction (Solar EPC) business; and
- Operation and maintenance service.

B. Business Segment

The Company's revenues and assets represents company's businesses viz. Solar EPC and Solar Operation and maintenance service. Accordingly, Revenue and expenses have been identified to a segment on the basis of direct relationship to operating activities of the segment. Expenditure which are not directly identifiable but has a relationship to the operating activities of the segment are allocated on a reasonable basis. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other common assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Information about reportable segments
March 31, 2022

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	3,261.38	196.65	1.55	3,459.58
Total revenue	**3,261.38**	**196.65**	**1.55**	**3,459.58**
Segment Results	**11.83**	**31.52**	**1.55**	**44.90**
Unallocated expenses				
Finance costs	-	-	75.34	75.34
Depreciation and amortisation expense	-	-	7.90	7.90
Employee benefits and other expenses	-	-	263.81	263.81
Total unallocated expenses	**-**	**-**	**347.05**	**347.05**
Unallocated income				
Interest income	-	-	71.67	71.67
Other income	-	-	25.06	25.06
Total unallocated income	**-**	**-**	**96.73**	**96.73**
Profit before tax	11.83	31.52	(248.77)	(205.42)
Tax expense	-	-	(37.90)	(37.90)
Profit after tax	**11.83**	**31.52**	**(210.87)**	**(167.52)**
Other information				
Segment assets	1,740.57	110.85	2,121.33	3,972.75
Segment liabilities	1,939.59	37.00	494.93	2,471.52
Capital Expenditure	-	-	2.87	2.87
Depreciation and amortisation expense	-	-	7.90	7.90

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

March 31, 2021

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	2,941.41	231.80	2.96	3,176.17
Total revenue	**2,941.41**	**231.80**	**2.96**	**3,176.17**
Segment Results	**(33.10)**	**69.03**	**(1.33)**	**34.60**
Unallocated expenses				
Interest expense	-	-	67.59	67.59
Depreciation and amortisation	-	-	8.20	8.20
Employee benefits and other expenses	-	-	239.97	239.97
Total unallocated expenses	**-**	**-**	**315.76**	**315.76**
Unallocated income				
Interest income	-	-	121.13	121.13
Other income	-	-	17.36	17.36
Total unallocated income	**-**	**-**	**138.49**	**138.49**
Profit before tax	(33.10)	69.03	(178.60)	(142.67)
Tax expense	-	-	(31.23)	(31.23)
Profit after tax	**(33.10)**	**69.03**	**(147.37)**	**(111.44)**
Other information				
Segment assets	1,372.55	143.35	2,260.40	3,776.29
Segment liabilities	2,681.01	77.31	505.99	3,264.31
Capital Expenditure			12.93	12.93
Depreciation and amortisation			8.20	8.20

C. Geographical information

The geographic information analyses the Company's revenues and non-current assets by the company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

a) Revenue from external customers

Particulars	March 31, 2022			March 31, 2021		
	Solar EPC business	Operation and maintenance service	Unallocated	Solar EPC business	Operation and maintenance service	Unallocated
India	434.61	116.79	0.91	1,041.05	131.42	2.96
South east Asia	-	8.91	-	-	11.24	-
Middle East and North Africa	26.97	56.40	0.64	428.29	71.43	-
Rest of Africa	37.75	10.96	-	49.56	11.15	-
Australia	2,343.77		-	581.63	-	-
United states of america and Latin America	418.28	3.59	-	840.88	6.56	-
	3,261.38	**196.65**	**1.55**	**2,941.41**	**231.80**	**2.96**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Business in India, the Company's country of domicile, represented approximately 15.96% during the year ended March 31, 2022 (March 31, 2021: 37.01%) of its net revenues.

The Company's business in Australia and Chile represented 67.75% and 12.19%, respectively, of its net revenues during the year ended March 31, 2022 (March 31, 2021: Chile, Australia and Jordan represented 26.48%, 18.31% and 12.66% respectively). No other country individually comprised 10% or more of the Company's Standalone net revenues during these periods.

b) Non-current assets (other than financial instruments and deferred tax assets)

Particulars	March 31, 2022	March 31, 2021
India	61.39	68.34
South east Asia	0.10	0.20
Rest of Africa	2.81	1.83
Middle East and North Africa	0.84	0.19
Australia	5.57	0.23
United states of america and Latin America	1.49	1.50
	72.20	**72.29**

Information about major customers

Revenue from three customers of the Company is ₹ 2,701.18 crore (March 31, 2021: three customers represent approximately ₹ 1,125.45 crore) which accounts for more than 10% of the Company's total revenue for the year ended March 31, 2022.

51 Disclosure under Ind AS 116, Leases

A) Right-of-use assets

	Land and Buildings *	Total
Reconciliation of carrying amount for the year ended March 31, 2022		
Cost		
Balance as at April 1, 2021	10.35	10.35
Add: Additions during the year	-	-
Less: Disposals during the year	3.55	3.55
Balance as at March 31, 2022	**6.80**	**6.80**
Accumulated depreciation and impairment		
Balance as at April 1, 2021	4.63	4.63
Add: Depreciation for the year	0.75	0.75
Add: Impairment losses durinng the year	-	-
Less: Eliminated on disposals of assets	3.55	3.55
Balance as at March 31, 2022	**1.83**	**1.83**
Carrying amounts		
Balance as at April 1, 2021	**5.72**	**5.72**
Balance as at March 31, 2022	**4.97**	**4.97**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

	Land and Buildings *	Total
Reconciliation of carrying amount for the year ended March 31, 2021		
Cost		
Balance as at April 1, 2020 (Restated)	10.35	10.35
Add: Additions during the year	-	-
Less: Disposals during the year	-	-
Balance as at March 31, 2021	**10.35**	**10.35**
Accumulated depreciation and impairment		
Balance as at April 1, 2020 (Restated)	2.10	2.10
Add: Depreciation for the year	2.53	2.53
Add: Impairment losses durinng the year	-	-
Balance as at March 31, 2021	**4.63**	**4.63**
Carrying amounts		
Balance as at April 1, 2020 (Restated)	**8.25**	**8.25**
Balance as at March 31, 2021	5.72	5.72

*Carrying amount of Right-of-use assets at the end of the reporting period is towards property taken on lease for office premises, the underlying leasehold improvements is presented in note 5 under "Property, plant and equipment and capital work-in-progress".

B) Breakdown of lease expenses

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Short-term lease expense	40.88	45.80
Total lease expense	**40.88**	**45.80**

C) Cash outflow on leases

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Repayment of lease liabilities (Including Interest on lease liabilities)	1.09	2.99
Short-term lease expense	40.88	45.80
Total cash outflow on leases	**41.97**	**48.79**

D) Maturity analysis of lease liabilities

March 31, 2022	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Total	Weighted average effective interest rate %
Lease liabilities						
MGF Developments Limited, office premises at Delhi	0.51	0.67	2.81	2.09	6.08	11%
Total	**0.51**	**0.67**	**2.81**	**2.09**	**6.08**	

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

March 31, 2021	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Total	Weighted average effective interest rate %
Lease liabilities						
MGF Developments Limited, office premises at Delhi	0.40	0.51	2.34	3.23	6.48	11%
Total	**0.40**	**0.51**	**2.34**	**3.23**	**6.48**	

52 Financial Instruments – Fair values and Risk Management

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value, if carrying amount is a reasonable approximation of fair value.

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Non-current financial assets								
Loans	-	-	-	-	-	-	-	-
Other financial assets	-	-	4.77	4.77	-	-	-	-
Current financial assets								
Investment in government securities and mutual funds	-	-	-	-	-	-	-	-
Trade receivables	-	-	589.78	589.78	-	-	-	-
Cash and cash equivalents	-	-	344.85	344.85	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	35.60	35.60	-	-	-	-
Loans	-	-	153.96	153.96	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Other financial assets	-	-	1,339.76	1,339.76	-	-	-	-
	-	**-**	**2,468.72**	**2,468.72**	**-**	**-**	**-**	**-**
Non-current financial liabilities								
Lease liabilities	-	-	5.57	5.57	-	-	5.57	5.57
Current financial liabilities								
Short term borrowings	-	-	353.23	353.23	-	-	-	-
Lease liabilities	-	-	0.51	0.51	-	-	0.51	0.51
Trade payables	-	-	1,443.38	1,443.38	-	-	-	-
Derivatives	20.37	-	-	20.37	-	20.37	-	20.37
Other current financial liabilities	-	-	78.48	78.48	-	-	-	-
	20.37	**-**	**1,881.17**	**1,901.54**	**-**	**20.37**	**6.08**	**26.45**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Non-current financial assets								
Loans	-	-	-	-	-	-	-	-
Financial assets								
Investment in government securities and mutual funds	-	-	-	-	-	-	-	-
Trade receivables			769.99	769.99				
Cash and cash equivalents	-	-	122.69	122.69	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	45.85	45.85	-	-	-	-
Loans	-	-	552.88	552.88	-	-	-	-
Other financial assets	-	-	710.28	710.28	-	-	-	-
	-	**-**	**2,201.69**	**2,201.69**	**-**	**-**	**-**	**-**
Non-current financial liabilities								
Lease liabilities	-	-	6.08	6.08		-	6.08	6.08
Current financial liabilities								
Short term borrowings	-	-	385.73	385.73	-	-	-	-
Lease liabilities	-	-	0.40	0.40	-	-	0.40	0.40
Trade payables	-	-	2,379.76	2,379.76	-	-	-	-
Derivatives	92.39	-	-	92.39	-	92.39	-	92.39
Other current financial liabilities	-	-	63.96	63.96	-	-	-	-
	92.39	**-**	**2,835.93**	**2,928.32**	**-**	**92.39**	**6.48**	**98.87**

(b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non current and current financial assets and liabilities measured at amortised cost	Discounted cash flow approach: The valuation model considers the present value of expected payments/ receipts, discounted using a risk adjusted discount rate.	Not applicable	Not applicable
Mutual funds	The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.	Not applicable	Not applicable
Forward contracts for foreign exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting year.

Sensitivity Analysis for level 3

The sensitivity analysis below have been determined based on reasonably possible changes of the discounting rate occurring at the end of the reporting year, while holding all other assumptions constant.

	Discounting rate	March 31, 2022	Discounting rate	March 31, 2021
Lease liabilities - Discount rate + 100 basis points	11.00%	(0.24)	11.00%	(0.22)
Lease liabilities - Discount rate - 100 basis points	11.00%	0.26	11.00%	0.23

(c) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

i) Credit risk ;

ii) Liquidity risk; and

iii) Market risk

Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment in debt securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowances for doubtful debts and impairments that represents its estimates of incurred losses in respect of trade and other receivable and investment.

Net trade receivable as on March 31, 2022 is ₹ 589.78 crore (March 31, 2021: ₹ 769.99 crore).

Two largest customers (net of expected credit loss provision) have a total concentration of 31.09% (March 31, 2021: Two largest customers had a total concentration of 25.83%) of net trade receivable.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables and other receivables to mitigate the

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Amount
Balance as at April 1, 2021	41.44
Add: Impairment losses recognised during the year	12.93
Less: Written back during the year	-
Balance as at March 31, 2022	**54.37**
Balance as at April 1, 2020	21.69
Add: Impairment losses recognised during the year	19.75
Less: Written back during the year	-
Balance as at March 31, 2021	**41.44**

Cash and bank balances

The Company held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of ₹ 384.45 crore and ₹ 173.76 crore as at March 31, 2022 and March 31, 2021 respectively. The credit worthiness of the such bank and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Derivatives

The derivatives are entered with the credit worthy banks and financial institutions counter parties. The Credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis is considered to be good.

Guarantees

The Company's policy is to provide the financial guarantees only for its subsidiaries. The outstanding guarantee as at March 31, 2022 is ₹ 1,401.06 crore (March 31, 2021: ₹ 1,045.82 crore), these guarantee were given to banks in respect of credit facilities availed by a subsidiary of the Company.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by the Company as at March 31, 2022 and March 31, 2021. The Company monitors the credit worthiness of such lessors where the amount of security deposit is material.

Inter-corporate deposits/ Loans, investments in group companies

The Company has given secured and unsecured Inter-corporate deposits/ loans to its subsidiaries and fellow subsidiaries as at March 31, 2022 and March 31, 2021. The Company has reviewed the carrying amounts of Inter-corporate deposits/ loans to determine whether there is any indication that those loans have suffered an impairment loss, as at March 31, 2022 no such indication exist.

Other than the trade receivables and other receivables, the Company has no other financial assets that are past due but not impaired.

ii Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As at March 31, 2022, the Company had unsecured borrowings from banks and others of ₹ 42.14 crore (March 31, 2021: ₹ 84.05 crore), secured borrowings from banks of ₹ 264.72 crore (March 31, 2021: ₹ 166.55 crore), secured commercial papers ₹ Nil (March 31, 2021: ₹ 37.34 crore), cash credit loan from banks of ₹ 46.37 crore (March 31,

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

2021: ₹ 122.69 crore), cash and cash equivalents of ₹ 344.85 crore (March 31, 2021: ₹ 122.69 crore) and other bank balances of ₹ 39.60 Crore (March 31, 2021: ₹ 51.02 crore).

During the year there were twenty three occasions (March 31, 2021 : twelve occasions) of delay in repayment of working capital loans to twelve Banks (March 31, 2021 : three banks) for a period ranging between 1 to 28 days (March 31, 2021 : 1 to 9 days and in one instance 29 days (during which period the Company was in discussion with the bank for a rollover)). There were no instances of delays in working capital loans other than as mentioned. Further the same were regularized and there is no overdue outstanding as at March 31, 2022 and March 31, 2021 (Refer note 58).

Exposure to liquidity risk

The table below analyses the Company's financial assets and financial liabilities into relevant maturity groupings based on their contractual maturities for derivative and non derivative financial assetss and financials liabilities:

March 31, 2022		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Secured loans	311.09	322.17	322.17	-	-	-
Unsecured loans	42.14	45.56	45.56	-	-	-
Trade payables	1,443.38	1,443.38	1,443.38	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.07	3.07	3.07	-	-	-
Lease liabilities	6.08	9.72	1.08	1.15	3.80	3.69
Other current financial liabilities	70.82	70.82	70.82	-	-	-
Derivative financial liabilities						
Forward exchange contracts used for hedging:						
Outflow	20.37	742.29	742.29	-	-	-
Inflow		(721.92)	(721.92)	-	-	-
	1,901.54	**1,919.68**	**1,911.04**	**1.15**	**3.80**	**3.69**

March 31, 2021		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Secured loans	301.68	308.48	308.48	-	-	-
Unsecured loans	84.05	87.47	87.47			
Trade payables	2,379.75	2,379.75	2,379.75	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.71	3.71	3.71	-	-	-
Lease liabilities	6.48	9.72	1.08	1.15	3.80	3.69
Other current financial liabilities	55.67	55.67	55.67	-	-	-
Derivative financial liabilities						
Forward exchange contracts used for hedging:						
Outflow	92.39	686.39	686.39	-	-	-
Inflow		(594.01)	(594.01)	-	-	-
	2,928.32	**2,941.77**	**2,933.13**	**1.15**	**3.80**	**3.69**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the risk management committee. The Company has applied hedge accounting to manage volatility in profit or loss on account of foreign currency risk during the year ended March 31, 2022.

(a) Currency Risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2022 are as below:

Amounts in INR	USD	AUD	EUR	Others *
Financial assets				
Trade receivables	181.09		-	-
Loan given to subsidiaries	110.66		-	-
Interest accrued on loans to subsidiaries and other receivable from subsidiary	-		-	-
Cash and Cash Equivalents	-		-	-
Recoverable amounts	448.88	183.00	46.27	-
Other receivables	421.93			-
Exposure to foreign currency assets	**1,162.56**	**183.00**	**46.27**	**-**
Less: Forward exchange contract	-	-	-	-
Net exposure to foreign currency assets	**1,162.56**	**183.00**	**46.27**	**-**
Financial liabilities				
Trade payables and other payable	972.39	-	0.55	0.10
Exposure to foreign currency liabilities	**972.39**	**-**	**0.55**	**0.10**
Less: Forward exchange contract	-		-	-
Net exposure to foreign currency liabilities	**972.39**	**-**	**0.55**	**0.10**
Net Exposure	**190.17**	**183.00**	**45.72**	**(0.10)**

*others include CHF, AED, AUD and EGP

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

The currency profile of financial assets and financial liabilities as at March 31, 2022 are as below:

Amounts in INR	USD	EUR	Others *
Financial assets			
Trade receivables	296.58	-	-
Loan given to subsidiaries	107.31	-	-
Interest accrued on loans to subsidiaries and other receivable from subsidiary	11.23	-	-
Cash and Cash Equivalents	9.87	-	-
Recoverable amounts	596.44	-	0.58
Other receivables	8.43		-
Exposure to foreign currency assets	**1,029.86**	**-**	**0.58**
Less: Forward exchange contract	-	-	-
Net exposure to foreign currency assets	**1,029.86**	**-**	**0.58**
Financial liabilities			
Trade payables and other payable	1,409.08	7.45	0.11
Exposure to foreign currency liabilities	**1,409.08**	**7.45**	**0.11**
Less: Forward exchange contract	23.07	-	-
Net exposure to foreign currency liabilities	**1,386.01**	**7.45**	**0.11**
Net Exposure	**(356.15)**	**(7.45)**	**0.47**

*others include CHF, AED, JOD, AUD, NAD,XOF and EGP

a. The forward contracts booked also includes the future purchase transaction exposure.

b. Hedged foreign currency exposure

		March 31, 2022		March 31, 2021	
		Foreign currency (in crore)	Indian Rupees (in crore)	Foreign currency (in crore)	Indian Rupees (in crore)
Foreign exchange forward contracts (To hedge highly probable future transactions - payables)	USD	-	-	0.31	23.07
Foreign exchange forward contracts (To hedge highly probable future transactions - payables)	EUR	-	-	-	-
Foreign exchange forward contracts (To hedge receivables)	USD	-	-	-	-
		-	-	0.31	23.07

Sensitivity analysis

A 5% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Effect in INR crore	March 31, 2022 Profit or loss		March 31, 2021 Profit or loss	
	Strengthening	Weakening	Strengthening	Weakening
USD	9.51	(9.51)	(17.81)	17.81
AUD	9.15	(9.15)	-	-
EUR	2.29	(2.29)	(0.37)	0.37
Others	(0.01)	0.01	0.02	(0.02)

c. Hedge accounting

Cash flow hedges

At March 31, 2022, the Company holds the following instruments to hedge exposures to changes in foreign currency.

Foreign currency risk	Maturity analysis		
	1-6 months	6-12 months	More than 1 year
Foreign exchange forward contracts			
Net exposure (loss) / gain (₹ in crore)	(20.37)	-	-
Average AUD:USD forward contract rate	0.73	-	-
Average USD:INR forward contract rate	76.47	-	-

The amounts at the reporting date relating to items designated as hedged items are as follows

Foreign currency risk	Change in value used for calculating hedge ineffectivness	Effective portion of cash flow hedges	Costs of hedging	Balances remaining in equity head 'effective portion of cash flow hedges' from hedging relationships for which hedge accounting is no longer applied
March 31, 2022				
Foreign currency risk				
Highly probable forecast cash flows - receivable (AUD) and payable (USD)	-	(20.37)	-	-
Highly probable forecast cash flows - letter of credit payable (USD)	-	(0.00)	-	-
	-	(20.37)	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

Foreign currency risk	March 31, 2022 Carrying amount			During the year ended March 31, 2022		
	Nominal amount	Assets	Liabilities	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI
March 31, 2022						
AUD-INR		-	0.00	0.30	-	-
AUD-USD	10.60	-	(20.37)	69.38	(0.02)	-
USD-INR	1.60	-	(0.00)	0.45	-	-

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting :

	March 31, 2022 Equity head	
	Effective portion of cash flow hedges	Cost of hedging
Balance as at April 1, 2021	(67.72)	-
Cash flow hedges		
Changes in fair value :		
Highly probable forecast cash flows – Trade receivables	14.53	-
Highly probable forecast cash flows – Trade payable and Letter of credit payable	0.46	-
Amount reclassified to profit or loss - Highly probable forecast cash flows – Trade receivables	55.13	-
Amount included in the cost of non-financial items	-	-
Tax on movements in relevant items of OCI during the year	(3.77)	-
Tax on relevant items of OCI during the year reclassified to profit or loss	(13.88)	-
Balance as at March 31, 2022	**(15.25)**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions.

For details of the Company's short-term loans and borrowings, including interest rate profiles, refer to Note 23 of these financial statements.

Particulars	March 31, 2022	March 31, 2021
Fixed rate instruments		
Financial assets	190.64	601.59
Financial liabilities	(312.94)	(294.42)
	(122.30)	**307.17**
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(46.37)	(97.79)
	(46.37)	**(97.79)**

Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings and fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

INR	Profit or loss	
	100 bp increase	**100 bp decrease**
March 31, 2022		
Variable-rate instruments		
Borrowings	(0.46)	0.46
Cash flow sensitivity (net)	**(0.46)**	**0.46**

INR	Profit or loss	
	100 bp increase	**100 bp decrease**
March 31, 2021		
Variable-rate instruments		
Borrowings	(0.98)	0.98
Cash flow sensitivity (net)	**(0.98)**	**0.98**

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

(c) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings and obligations under leases, less cash and cash equivalents. Adjusted equity comprises all components of equity. Charge for the year on goodwill amortisation has been deducted while calculating total equity of the company since it represents a pure non-cash expense.

The Company's adjusted net debt to equity ratio was as follows:

Particulars	March 31, 2022	March 31, 2021
Borrowings	359.31	392.21
Gross debt	**359.31**	**392.21**
Less : Cash and cash equivalents	344.85	122.69
Adjusted net debt	**14.46**	**269.52**
Total equity	1,501.23	511.98
Adjusted net debt to adjusted equity ratio	**0.01**	**0.53**

53 Pursuant to a resolution dated June 23, 2020, the shareholders of the Company expressed their intent to convert loan given to Sterling and Wilson International Solar FZCO, a subsidiary of the Company, into equity. Accordingly, the loan given to subsidiary amounting to USD 5.00 crore, equivalent to ₹ 367.53 crore, was converted into equity shares on receipt of approval from statutory and regulatory authorities on December 28, 2020.

54 During the year, the Company has signed an Indemnity Agreement with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Company and its subsidiaries/branches for a net amount, if it exceeds ₹ 300.00 crore, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreements), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters. These amounts would be settled by September 30, 2022 and thereafter on September 30 of each succeeding year, on the basis of the final settlement amounts with customers/suppliers/other authorities. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. The Promoter Selling Shareholders are consequently entitled to net off the amounts payable, with specific counter-claims levied and recovered by the Company and its subsidiaries/branches on its customers/vendors relating to these matters.As at March 31, 2022, the Company has made provisions equivalent to ₹ 157.86 crore, including ₹ 37.54 crore during the year ended March 31, 2022. Additionally the Company's subsidiaries have made provisions equivalent to ₹ 142.14 crore as at March 31, 2022. As explained above, since all future crystallized claims beyond the provided for ₹ 300.00 crore will be fully charged back and recovered from the Promoter Selling Shareholders, there will be no further impact on the results of the Company beyond March 31, 2022 due to the same.

55 The Company, entered into a contract for a 100 MW AC Photovoltaic plant in the state of Karnataka with an infrastructure company ("customer") to cater to inhouse power demands of the large office space facilities at

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Bangalore of a real estate developer ("developer"). The works were majorly completed by end February 2018 and the balance work was pending due to non-availability of land, which was in the scope of the customer. In October 2018, the National Company Law Tribunal ("NCLT") actions were initiated against the customer group and the Company issued a work suspension notice to the customer, for balance of payments, with a copy to the developer. The developer issued directions to the Company, vide a letter, to go ahead with the works/ maintenance of the plant where in they also assured the Company that they would make the payment if the customer failed to pay. As on date the customer owes the Company ₹ 92.45 crore. In addition, an amount of ₹ 64.10 crore under confirmed, irrevocable Letters of Credit arranged by the customer from their bank mainly for the supplies which had been discounted by the Company, after confirmation both from the customer and their bank, became due. Due to the NCLT actions against the customer group, the customer's bank refused to make the payment to the Company's bank citing prevention against doing the same due to the NCLT order, and the Company had to return the amount back to its bank.

During the year ended March 31, 2020, the Company has initiated legal proceedings in both these matters, which are now pending with the National Company Law Appellate Tribunal.

The Company has sought legal opinions regarding the amount due from the developer as per their assurance letter and from the customer's bank due to failure to pay confirmed Letters of Credit and has been advised that the said amounts are recoverable. The amount of ₹ 92.45 crore and ₹ 64.10 crore is shown under the head Trade Receivables and Other Financial Assets, respectively. Both the above are covered under the Indemnity Agreement as given in Note 56 above.

Basis the aforementioned legal opinions and the Management assessment, inspite of being confident of full recovery, considering the expected credit loss requirement of Ind AS 109 ""Financial Instruments"", the Management has recognised the provision to the extent of ₹ 31.33 crore as at March 31, 2022 (March 31, 2021 ₹ 31.33 crore), based on Management's best estimate of collection of the aforementioned receivables as at March 31, 2022. This matter is also covered by the Indemnity Agreement (Refer note 54).

56 The Red Herring Prospectus dated July 29, 2019 stated that Shapoorji Pallonji and Company Private Limited and Khurshed Yazdi Daruvala ("Selling Shareholders") shall use a portion of the net offer proceeds towards funding full repayment of the outstanding inter-corporate deposits payable by a fellow subsidiary to the Company. The balance outstanding as at the beginning of the year was entirely repaid during the year along with all interest accrued thereagainst.

The Company has responded to queries on this matter raised by the concerned authorities. The Company, based on independent opinions from legal experts, has determined that there is no non-compliance with any provisions of the Companies Act, 2013 and/or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, by the Company, in respect of this matter.

57 During the year ended March 31, 2022, four customers of the Company encashed advance and performance bank guarantees amounting to ₹ 588.51 crore. Three of the projects are virtually completed and the last one is about 87.50% completed as of March 31, 2022. The Senior Management of the Company had several rounds of discussions with the customers and are actively engaged to resolve the matter. The Company has finalized settlement agreements with two customers, on the basis of which the entire amount against the corresponding bank guarantees encashed, amounting to ₹ 175.87 crore, was refunded by one customer, whilst the second customer is in the process of refunding an amount of ₹ 144.50 crore. Similar settlement agreements are under discussion for the other two projects. Based on the current ongoing discussions, the Management is hopeful that the issue will be resolved amicably, and accordingly there is no need to make provision for the same during the quarter and year ended March 31, 2022. The balance receivable has been shown as recoverable from customers under Other current financial assets as at March 31, 2022.

58 During the current year, the managerial remuneration provided by the Company in relation to its Manager is in excess of the limits laid down under Section 197 of the Companies Act, 2013, read with schedule V to the Act by ₹ 0.69 crore. The Company is in the process of obtaining

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

approval for ₹ 0.69 crore towards the managerial remuneration for the financial year 2021-2022 from its shareholders at the forthcoming annual general meeting.

59 The Company's international transactions with related parties are at arm's length as per the Independent accountants report for the year ended March 31, 2020. Management believes that the Company's international transactions with related parties post March 31, 2020 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these standalone financial statements, particularly on amount of tax expense and that of provision for taxation.

60 The outbreak of the Coronavirus (COVID-19) pandemic had globally caused significant disturbance and slowdown of economic activity. During the year, the construction activities at various sites witnessed a slowdown as per the directives issued by various regulatory authorities which led to an increased cost of construction (including rise in module and commodity costs) as well as overheads due to extended time. Owing to these factors, the Company has faced liquidity challenges during a part of the year.

The Company continues to have an executable order book, a positive net-worth and favorable net current asset position. The Company's Management and the Board of Directors of the Company have also made an assessment on going concern, after considering the Company's projected cash flows for the next 12 months, as well as financing arrangements to fulfil its working capital requirements and necessary capital expenditure.

The Company has used the principles of prudence in applying judgements, estimates and assumption and based on the current estimates' Management has assessed the impact of existing and anticipated impact of COVID-19 on future projected cash-flows. Based on all the above the Management believes that the Company will continue its business in the foreseeable future, so as to be able to realise its assets and discharge its liabilities in the normal course.

61 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code of Social Security, 2020 on 13 Novemeber 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

62 Other matters

Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN:L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Chandra Thakur
Manager
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 7, 2022

Mumbai
April 7, 2022

FORM AOC- 1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

(in ₹ Crore)

1. Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2. Name of the subsidiary	**Esterlina Solar Engineers Private Limited**	**Sterling and Wilson International Solar FZCO**	**Sterling and Wilson Thailand Limited**	**Sterling and Wilson Saudi Arabia Limited**	**Sterling and Wilson Solar LLC**	**Sterling and Wilson Middle East Solar Energy LLC**	**Sterling and Wilson Singapore Pte Ltd**	**Sterling and Wilson Engineering (Pty) Ltd**	**Sterling and Wilson Solar Solutions LLC**	**Sterling and Wilson Solar Spain, S.L.**	**Sterling and Wilson Solar Solutions Inc**	**GCO Solar Pty. Limited**	**Sterling and Wilson Solar Australia Pty Ltd.**	**Sterling and Wilson Solar Malaysia SDN. BHD.**
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period														
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	AED / 20.5579	TBH / 2.1735	SAR / 19.7635	OMR / 195.57	AED / 20.5579	SGD / 55.4804	ZAR / 5.1578	USD / 75.4886	Euro / 82.8360	USD / 75.4886	AUD / 56.6602	AUD / 56.6602	MYR / 17.9024
5. Share capital	0.01	369.28	0.00	1.74	2.69	0.62	0.31	0.00	1.89	0.04	0.00	17.57	0.02	1.35
6. Reserves & surplus	0.13	175.30	(0.08)	(3.23)	1.75	63.37	(1.46)	(15.89)	(0.01)	(21.98)	(166.66)	(130.37)	(362.62)	(0.70)
7. Total assets	0.42	1,784.04	-	0.04	14.44	105.94	0.12	30.10	1.88	3.12	219.23	54.96	438.26	0.80
8. Total Liabilities	0.28	1,239.46	0.08	1.53	10.00	41.95	1.27	45.99	-	25.06	385.89	167.76	800.86	0.15
9. Investments	-	9.02	-	-	-	-	0.01	-	-	-	1.89	-	-	-
10. Turnover	-	837.31	-	-	12.57	31.23	-	13.67	-	-	1,097.83	168.62	943.26	-
11. Profit / (loss) before taxation	(1.74)	(382.65)	-	(0.05)	(8.57)	(41.52)	(0.11)	(8.93)	(0.00)	(11.55)	(48.82)	(27.74)	(160.92)	(0.22)
12. Provision for taxation	-	-	-	(0.02)	(1.11)	-	-	(0.63)	-	-	9.53	7.97	24.79	-
13. Profit / (loss) after taxation	(1.74)	(382.65)	-	(0.03)	(7.46)	(41.52)	(0.11)	(8.30)	(0.00)	(11.55)	(58.35)	(35.71)	(185.71)	(0.22)
14. Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15. % of shareholding	100%	100%	100%	95%	70%	100%	100%	60%	100%	99%	100%	100%	100%	100%

Notes:

1. The following subsidiaries are yet to commence operations:
   - Esterlina Solar – Proyecto Uno, S.L.
   - Esterlina Solar-Proyecto Dos, S.L.
   - Esterlina Solar – Proyecto Tres, S.L.
   - Esterlina Solar – Proyecto Cuatro, S.L.
   - Esterlina Solar – Proyecto Cinco, S.L.
   - Esterlina Solar – Proyecto Seis, S.L.
   - Esterlina Solar – Proyecto Siete, S.L.
   - Esterlina Solar – Proyecto Ocho, S.L.
   - Esterlina Solar – Proyecto Nueve, S.L.
   - Esterlina Solar – Proyecto Diez, S.L.
2. There are no subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

As on March 31, 2022, the Company does not have any Associate and/or Joint Venture with any other Company.

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)CIN:L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905

Pallon Mistry
Director
DIN: 05229734

Bikesh Ogra
Director
DIN: 08378235

Chandra Thakur
Manager

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808

Independent Auditors' Report

To the Members of
Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)

Report on the Audit of Consolidated financial statements

Opinion

We have audited the accompanying consolidated Ind-AS financial statements of STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited) (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flow for the year then ended and Notes to the Consolidated Ind-AS Financial Statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind-AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2022, of the consolidated loss, total comprehensive loss, consolidated statement of changes in equity and its consolidated cash flows for the year then ended. We believe that the audit evidence obtained by us along with the consideration of audit reports of the branch auditors and other auditors referred to in paragraph (i) and (ii) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind-AS financial statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained along with the consideration of audit reports of the branch auditors and other auditors referred to in paragraph (i) and (ii) of the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind-AS financial statements.

Emphasis of Matter

We draw attention to:

i) Note 58 to the consolidated Ind-AS financial statements which describes the Indemnity Agreement dated December 29, 2021, entered into by the Holding Company with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Company and its subsidiaries / branches for a net amount, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreement), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters, if such claims (net of receivables) exceed ₹ 300 crore. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. Since all future crystallized claims beyond ₹ 300 crores will be fully charged back and recovered from the Promoter Selling Shareholders, there will be no further impact on the results of the Company.

ii) Note 63 to the consolidated Ind-AS financial statements in respect of the managerial remuneration paid to its Manager by the Holding Company during the year which exceeds the limit prescribed under Section 197 of the Act read with Schedule V of the Act by ₹ 0.69 crore. The same to be ratified by the shareholders in the forthcoming General meeting of the Holding Company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind-AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind-AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
Revenue from works contracts represents significant amount of the total revenue from operations of the Company. Revenue from these contracts is recognised on satisfaction of the performance obligations over a period of time and in accordance with the requirements of relevant accounting standards. Revenue recognition involves significant estimates related to measurement of costs for completion, valuation of claims and penalties / liquidated damages and in turn evaluation of the related receivables and liabilities at each reporting date. Penalties / liquidated damages specified in the contracts are inherent in the determination of transaction price and forms part of variable consideration. Overstatement of revenue is considered to be a significant audit risk as revenue is the key driver of returns to investors and incentives linked to performance for a reporting period. Due to significant judgment involved in the estimation of the total revenue, costs to complete and the revenue that should be recognized and significant audit risk of overstatement, we have considered measurement of contract revenue as a key audit matter.	In view of the significance of the matter we applied the following audit procedures: a) Assessed compliance of the Company's policies in respect of revenue recognition with the applicable accounting standards; b) Evaluated the design and implementation and tested operating effectiveness of key internal controls around revenue recognition and recording of contract costs; c) Selected a sample of contracts to test, based on the below mentioned criteria: - significant revenue recognised during the year; or - significantly high, low or - negative profit margins. d) For these selected contracts, we have assessed the estimated costs to complete, variations in contract price and contract costs and the adequacy of provision for penalties / liquidated damages arising from customer disputes. This assessment included: - verification / reviewed the executed version of contracts and its amendments for key terms and milestones to verify the estimated total revenue and costs to complete and / or any changes thereto; - compared costs incurred with Company's estimates of costs incurred to date to identify significant variation and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contracts; - appropriate cut-off procedures for determination of revenue in the correct reporting period; - compared revenue recorded during the year with the underlying contracts, milestones achieved and invoices raised on the customers; - inquiries with the project and commercial departments about significant changes to estimated total revenue and costs to complete and settlement and recoverability of contract related receivables; - sighted the correspondence with customers around recoverability of claims and penalties / liquidated damages. e) Considered the adequacy of disclosures made in Note 2(d)(i) to the Company's consolidated Ind-AS financial statements in respect of these judgments and estimates.

Information Other than the Financial Statements and the Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the consolidated Ind-AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind-AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind-AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind-AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind-AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind-AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind-AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind-AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated Ind-AS financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind-AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind-AS financial statements, including the disclosures, and whether the consolidated Ind-AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind-AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind-AS financial statements of such entities (including branches) included in the consolidated Ind-AS financial statements of which we are the independent auditors. For the other entities (including branches) included in the consolidated Ind-AS financial statements, which have been audited by other auditors and branch auditors, such other auditors and branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (i) and (ii) of the section titled "Other Matters" in this audit report.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind-AS financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind-AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind-AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

i) We did not audit the financial information of 16 branches included in the standalone Ind-AS financial statements of the Holding Company whose financial information before consolidation adjustments, reflect total assets of ₹ 1,000.54 crore as at March 31, 2022, total revenue of ₹ 2,560.32 crore and net cash outflow of ₹ 19.57 crore for the year ended on that date, as considered in the standalone Ind-AS financial statements. These branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

ii) We did not audit the financial statements of 9 subsidiaries included in the consolidated Ind-AS financial statements, before consolidation adjustments reflects Groups share of total assets of ₹ 2,033.33 crores as at March 31, 2022, Groups share of total revenues of ₹ 3,044.45 crores and net cash inflow of ₹ 15.11 crore for the year then ended as considered in the consolidated Ind-AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the consolidated Ind-AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in the Auditor's Responsibilities for the Audit of the consolidated Ind-AS financial statements paragraph above.

iii) All branches and certain subsidiaries referred to above are located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by the branch auditors and other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such branches and subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India.

We have audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the amounts and disclosures of such branches and subsidiaries located outside India is based on the report of such branch auditors and other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

iv) We did not audit the financial statements / financial information of 7 subsidiaries whose financial statements / financial information reflect total assets of ₹ 4.38 crore as at March 31, 2022, total revenues of ₹ Nil crore and net cash inflows amounting to ₹ 0.42 crore for the year ended on that date, as considered in the consolidated Ind-AS financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind-AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information. According to the information and explanations given to us by the Management, these financial statements / financial information of the subsidiaries are not material to the Group.

v) The audit of the consolidated Ind-AS financial statements of the Company for the year ended March 31, 2021, was carried out by a firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, Chartered Accountants who have expressed a modified opinion on those standalone Ind-AS financial statements vide their report dated June 29, 2021, which has been furnished and has been relied upon by us for the purpose of our audit of the standalone Ind-AS financial statements.

Our opinion on the consolidated Ind-AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by section143(3) of the Act, we report to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind-AS financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind-AS financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind-AS financial statements.

   d) In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act.

   e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2022, which are taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group Companies are disqualified as on March 31, 2021, from being appointed as a Director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind-AS financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

g) According to information and explanations given to us and based on our examination of the records of the Holding Company, as referred in paragraph (ii) of the Emphasis of Matters, in respect of the managerial remuneration paid to its Manager by the Holding Company during the year exceeds the limit prescribed under Section 197 of the Act read with Schedule V of the Act by ₹ 0.69 crore. The same needs to be ratified by the shareholders in the forthcoming General meeting of the Holding Company.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated Ind-AS financial statements disclosed the impact of pending litigations on its consolidated financial position of the Group. Refer Note 43 to the consolidated Ind-AS financial statements.

ii) Provisions have been made in the consolidated Ind-AS financial statements, as required under applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts, including derivative contracts. Refer Note 27 and 30 to the consolidated Ind-AS financial statements.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

iv) The respective Management of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act has represented that:

a) to the best of their knowledge and belief, other than as disclosed in the consolidated Ind-AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) to the best of their knowledge and belief, other than as disclosed in the consolidated Ind-AS financial statements, no funds have been received by the Holding Company or any of such subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) contain any material misstatement.

v) As per information and explanation represented by Management and based on the records of the Holding Company, no dividend has been declared or paid during the year by the Holding Company, hence the compliance with Section 123 of the Act is not applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports, except as under:

Sr. No	Name	CIN	Type	Clause number of the CARO report which is qualified or adverse
1	Sterling and Wilson Renewable Energy Limited (Formerly known as Sterling and Wilson Solar Limited)	L74999MH2017PLC292281	Holding Company	3 (ix) (a)

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
M. No.: 42454
UDIN: 22042454AGOQPP6966

Mumbai
April 7, 2022

Annexure A to the Independent Auditors' Report

Referred to in Para (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the consolidated Ind-AS financial statements for the year ended March 31, 2022.

Report on the Internal Financial Controls with reference to consolidated Ind-AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to consolidated Ind-AS financial statements of **STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited)** (hereinafter referred to as "the Holding Company"), and its subsidiary company incorporated in India (Holding Company and its subsidiary company incorporated in India together referred to as "the Group"), as of March 31, 2022, in conjunction with our audit of the consolidated Ind-AS financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated Ind-AS financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated Ind-AS financial statements of the Group based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated Ind-AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind-AS financial statements included obtaining an understanding of internal financial controls with consolidated Ind-AS financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind-AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors in terms of their report referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system with reference to consolidated Ind-AS financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to consolidated Ind-AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind-AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind-AS financial statements includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group assets that could have a material effect on the consolidated Ind-AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind-AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind-AS financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated Ind-AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and such subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated Ind-AS financial statements and such internal financial controls with reference to consolidated Ind-AS financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

We did not audit the internal financial controls with reference to financial information of 16 branches (in Australia, Argentina, Chile, Dubai, Egypt, Indonesia, Jordan, Kenya, Mexico, Namibia, Philippines, United Kingdom, Vietnam and Zambia) of the Company. The internal financial controls with reference to financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the internal financial controls with reference to financial information included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of the above matter.

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
M. No.: 42454
UDIN: 22042454AGOQPP6966

Mumbai
April 7, 2022

Consolidated Balance Sheet as at March 31, 2022

(Currency: Indian rupees in crore)

	Note	March 31, 2022	March 31, 2021
Assets			
1 Non-current assets			
(a) Property, plant and equipment	5	25.76	28.29
(b) Capital work-in-progress	5	0.07	0.07
(c) Right-of-use assets	49	9.44	9.67
(d) Other intangible assets	7	6.99	8.38
(e) Intangible assets under development	7	0.32	0.32
(f) Financial assets			
(i) Other financial assets	8	4.77	5.94
(g) Deferred tax assets (net)	9	100.88	120.58
(h) Other income tax assets (net)	10	42.86	36.60
(i) Other non-current assets	11	1.85	14.45
Total non-current assets		**192.94**	**224.30**
2 Current assets			
(a) Inventories	12	3.90	3.09
(b) Financial assets			
(i) Trade receivables	13	783.96	848.86
(ii) Cash and cash equivalents	14	457.51	219.82
(iii) Bank balances other than cash and cash equivalents	15	46.53	71.13
(iv) Loans	16	1.14	885.99
(v) Derivatives	17	-	1.92
(vi) Other financial assets	18	761.10	226.47
(c) Current tax assets (net)	19	1.96	0.88
(d) Other current assets	20	1,250.95	1,226.91
Total current assets		**3,307.05**	**3,485.07**
Total assets		**3,499.99**	**3,709.37**
Equity and liabilities			
Equity			
(a) Equity share capital	21	18.97	16.04
(b) Other equity	22	897.79	645.84
Total equity attributable to owners of the Company		**916.76**	**661.88**
Non-controlling interests	56	(10.93)	(4.10)
Total equity		**905.83**	**657.78**
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	0.00	0.00
(ii) Lease liabilities	49	7.95	9.11
(b) Provisions	24	25.46	26.12
Total non-current liabilities		**33.41**	**35.23**
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	435.06	468.35
(ii) Lease liabilities	49	3.20	1.57
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		19.16	83.74
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,383.70	1,772.99
(iv) Derivatives	27	20.37	98.68
(v) Other financial liabilities	28	34.84	68.08
(b) Other current liabilities	29	442.43	356.48
(c) Provisions	30	211.80	152.88
(d) Current tax liabilities (net)	31	10.19	13.59
Total current liabilities		**2,560.75**	**3,016.36**
Total liabilities		**2,594.16**	**3,051.59**
Total equity and liabilities		**3,499.99**	**3,709.37**

The attached notes 1 to 66 are an integral part of these consolidated financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Chandra Thakur
Manager
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai

Mumbai
April 7, 2022

April 7, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

		Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income				
I	Revenue from operations	32	5,198.94	5,080.80
II	Other income	33	94.70	158.49
III	**Total income (I+II)**		**5,293.64**	**5,239.29**
IV	**Expenses**			
	Cost of construction materials, stores and spare parts	34	2,419.44	3,069.10
	Changes in inventories of stock-in-trade	35	-	-
	Direct project costs	36	3,235.52	1,928.35
	Employee benefits expense	37	227.89	208.48
	Finance costs	38	76.71	93.09
	Depreciation and amortisation expense	39	14.67	16.51
	Other expenses	40	229.57	263.80
	Total expenses (IV)		**6,203.80**	**5,579.33**
V	**Consolidated (loss) before income tax (III-IV)**		**(910.16)**	**(340.04)**
VI	**Tax expenses:**	41		
	Current tax			
	Current tax relating to current year		-	1.88
	Current tax relating to earlier period		3.70	9.63
	Deferred tax expenses / (credit)		1.90	(61.51)
			5.60	**(50.00)**
VII	**Consolidated (loss) for the year after income tax (V-VI)**		**(915.76)**	**(290.04)**
VIII	**Other comprehensive income**			
	Items that will not be reclassified subsequently to profit or loss:			
	(i) Remeasurements of defined benefit liability		1.55	0.58
	(ii) Income tax relating to items that will not be reclassified to profit and loss		(0.15)	(0.07)
	Items that will be reclassified subsequently to profit or loss:			
	(i) Effective portion of gain / (losses) on hedging instruments in cash flow hedges		21.39	(159.95)
	(ii) Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss		55.13	63.10
	(iii) Income tax relating to items that will be reclassified to profit or loss		(17.65)	22.77
	(iv) Exchange differences in translating financial statements of foreign operations		9.89	(51.21)
	Other comprehensive income for the year, net of income tax		**70.16**	**(124.78)**
IX	**Total comprehensive (loss) for the year (VII+VIII)**		**(845.60)**	**(414.82)**
	Consolidated (loss) attributable to:			
	Owners of the Company		(909.46)	(285.38)
	Non-controlling interests	56	(6.30)	(4.66)
	Consolidated (loss) for the year		**(915.76)**	**(290.04)**
	Other comprehensive income attributable to:			
	Owners of the Company		70.59	(122.80)
	Non-controlling interests	56	(0.43)	(1.98)
	Other comprehensive income for the year		**70.16**	**(124.78)**
	Total comprehensive (loss) attributable to:			
	Owners of the Company		(838.87)	(408.18)
	Non-controlling interests		(6.73)	(6.64)
	Total comprehensive (loss) for the year		**(845.60)**	**(414.82)**
X	**Earnings per equity share**			
	Basic and diluted earnings per share (₹) (face value of Re 1 each)	42	(54.21)	(17.80)

The attached notes 1 to 66 are an integral part of these consolidated financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Chandra Thakur
Manager
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 7, 2022

Mumbai
April 7, 2022

FINANCIAL STATEMENTS

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(Currency : Indian Rupees in crore)

A. Equity Share Capital

Particulars	March 31, 2022	March 31, 2021
Balance as at the beginning of the year	16.04	16.04
Add: Changes in equity share capital during the year	2.93	-
Balance as at the end of the year	**18.97**	**16.04**

B. Other Equity

	Attributable to the Owners of the Company										Attributable to non-controlling interests of the Company	Total
	Reserves and Surplus							Items of other comprehensive income		Total attributable to owners of the parent		
	Capital reserve on Demerger	Capital Reserve	Legal Reserve	Capital redemption reserve*	Employee stock option reserve	Securities premium reserve	Retained earnings	Effective portion of cash flow hedge	Foreign currency translation reserve			
Balance as at April 1, 2021	**(181.74)**	**(1.65)**	**1.21**	**0.00**	**-**	**-**	**901.92**	**(74.08)**	**0.18**	**645.84**	**(4.10)**	**641.74**
Adjustments:	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year												
(Loss) for the year	-	-	-	-	-	-	(909.46)	-	-	(909.46)	(6.30)	(915.76)
Employee stock option reserve for the current year	-	-	-	-	3.71	-	-	-	-	3.71	-	3.71
Items of OCI for the year, net of tax:												
Gain on hedging instruments in cash flow hedges, net of tax	-	-	-	-	-	-	-	17.62	-	17.62	-	17.62
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	-	-	-	-	-	-	-	41.25	-	41.25	-	41.25
Remeasurement of the defined benefit liability	-	-	-	-	-	-	1.40	-	-	1.40	-	1.40
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	-	10.31	10.31	(0.53)	9.78
Total comprehensive income	**-**	**-**	**-**	**-**	**3.71**	**-**	**(908.06)**	**58.87**	**10.31**	**(835.17)**	**(6.83)**	**(842.00)**
Transactions with owners, recorded directly in equity												
Securities premium on issue of equity shares (net of share issue expenses)	-	-	-	-	-	1,087.12	-	-	-	1,087.12	-	1,087.12
Balance as at March 31, 2022	**(181.74)**	**(1.65)**	**1.21**	**0.00**	**3.71**	**1,087.12**	**(6.14)**	**(15.21)**	**10.49**	**897.79**	**(10.93)**	**886.86**

*Amount less than ₹ 0.01 crore

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(Currency : Indian Rupees in crore)

	Attributable to the Owners of the Company										Attributable to non-controlling interests of the Company	Total
	Reserves and Surplus							Items of other comprehensive income		Total attributable to owners of the parent		
	Capital reserve on Demerger	Capital Reserve	Legal Reserve	Capital redemption reserve*	Employee stock option reserve	Securities premium reserve	Retained earnings	Effective portion of cash flow hedge	Foreign currency translation reserve			
Balance as at April 1, 2020	**(181.74)**	**(1.65)**	**0.26**	**0.00**	**-**	**-**	**1,197.76**	**-**	**50.29**	**1,064.92**	**(8.36)**	**1,056.56**
Adjustments:												
Total comprehensive income for the year												
(Loss) for the year	-	-	-	-	-	-	(285.38)	-	-	(285.38)	(4.66)	(290.04)
Items of OCI for the year, net of tax:												
Gain/(losses) on hedging instruments in cash flow hedges, net of tax	-	-	-	-	-	-	-	(121.29)	-	(121.29)	-	(121.29)
Effective portion of (gain)/ losses on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	-	-	-	-	-	-	-	47.21	-	47.21	-	47.21
Remeasurement of the defined benefit liability	-	-	-	-	-	-	0.51	-	-	0.51	-	0.51
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	-	(49.23)	(49.23)	(1.98)	(51.22)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**(284.87)**	**(74.08)**	**(49.23)**	**(408.18)**	**(6.64)**	**(414.82)**
Other adjustments												
Transfer to legal reserve	-	-	0.95	-	-	-	(0.95)	-	-	-	-	-
Transactions with owners, recorded directly in equity												
Arising on change in ownership interest in a subsidiary that do not result in loss of control (refer note 6)	-	-	-	-	-	-	(10.02)	-	(0.88)	(10.90)	10.90	-
Balance as at March 31, 2021	**(181.74)**	**(1.65)**	**1.21**	**0.00**	**-**	**-**	**901.92**	**(74.08)**	**0.18**	**645.84**	**(4.10)**	**641.74**

*Amount less than ₹ 0.01 crore

The attached notes 1 to 66 are an integral part of these consolidated financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
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Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(Currency : Indian Rupees in crore)

			For the year ended March 31, 2022	For the year ended March 31, 2021
A)	**Cash flow from operating activities**			
	(Loss) before tax		(910.16)	(340.04)
	Adjustments for:			
	Depreciation and amortisation expense		14.67	16.51
	Expected credit loss on financial assets		6.66	29.77
	Bad debts written off		18.78	0.32
	Write back of provision for bad and doubtful debts		(16.69)	(2.08)
	Supplier balances/ liabilities written back		-	(5.49)
	Loans and advances written off		-	2.33
	(Profit) / Loss on sale of property, plant and equipments (net)		(1.01)	0.26
	Property, plant and equipment written off and scrapped		-	1.52
	Provision for liquidated damages		159.66	63.04
	Provision for foreseeable losses		-	13.19
	Other provisions		-	11.00
	Impairment of goodwill		-	3.36
	Finance costs		76.71	93.09
	Interest income		(40.57)	(131.87)
	Provision for mark-to-market (loss) / gain on derivative instruments		-	(0.09)
	Unrealised foreign exchange loss (net)		5.46	33.66
	Liabilities no longer required written back		(3.29)	(10.29)
	Operating (loss) before working capital changes		**(689.78)**	**(221.81)**
	Working capital adjustments			
	(Increase) / decrease in inventories		(0.81)	11.42
	Decrease in trade receivables		64.94	1,130.95
	(Increase) / decrease in loans and advances		(0.40)	9.22
	(Increase) in other financial assets and derivative assets		(541.66)	(87.69)
	(Increase) in other current assets		(24.04)	(250.58)
	(Increase) in restricted cash		(0.61)	(2.19)
	(Decrease) in trade payable, derivatives, other financial liabilities, other liabilities and provisions		(504.33)	(316.82)
	Decrease / (increase) in other non-current assets		12.60	(10.64)
	Net change in working capital		**(994.31)**	**483.67**
	Cash flows (used in) / generated from operating activities		(1,684.09)	261.86
	Income tax (paid) (net)		(15.56)	(60.88)
	Effects of exchange differences on translation of assets and liabilities		9.89	-
	Net cash flows (used in) / generated from operating activities	**(A)**	**(1,689.76)**	**200.98**
B)	**Cash flow from investing activities**			
	(Purchase) of property, plant and equipment, capital work in progress and intangible assets		(13.23)	(16.45)
	Redemption / (Investment) in short term fixed deposits (net)		25.21	(33.65)
	Redemption / (Investment) in long term fixed deposits		1.17	(4.39)
	Proceeds from sale of property, plant and equipment		3.04	0.59
	Proceed in mutual funds / treasury bills		-	0.19
	Proceeds from redemption of mutual funds		-	0.27
	Interest received		47.60	244.13
	Inter-corporate deposits/loans repaid by fellow subsidiaries		885.25	218.52
	Net cash flows generated from investing activities	**(B)**	**949.04**	**409.21**
C)	**Cash flow from financing activities**			
	(Repayment) / Proceeds from cash credit borrowings (net)		(51.42)	77.18
	Proceeds / (Repayment) of secured and unsecured short-term borrowings (net)		18.13	(832.88)
	Proceeds from issue of equity shares (net of share issue expenses)		1,090.05	-
	Finance costs paid		(74.95)	(92.81)
	Repayment of lease liabilities		(3.67)	(4.74)
	Net cash flows generated from / (used in) financing activities	**(C)**	**978.14**	**(853.25)**
	Net increase / (decrease) in cash and cash equivalents	**(A+B+C)**	**237.42**	**(243.06)**
	Cash and cash equivalents at the beginning of the year		219.82	463.28
	Net movement in currency translation		0.27	(0.40)
	Cash and cash equivalents at the end of the year		**457.51**	**219.82**

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(Currency : Indian Rupees in crore)

Notes :

1 The above consolidated statement of cash flows have been prepared under the indirect method as set out in Indian Accounting standard 7 Statement of Cash Flows.

2 Current account balances with banks include ₹ 1.34 crore (March 31, 2021: ₹ 2.30 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, ₹ 1.57 crore (March 31, 2021: ₹ Nil) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (March 31, 2021: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

3 Cash comprises cash on hand and current accounts. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

		For the year ended March 31, 2022	For the year ended March 31, 2021
4	**Components of cash and cash equivalents**		
	Balance with banks		
	- in current accounts	457.15	210.62
	Cheques on hand	-	8.38
	Cash on hand	0.36	0.82
		457.51	**219.82**

5 Changes in liabilities arising from financing activity, including both changes arising from cash flows and non-cash changes

Particulars	As at April 1, 2021	Changes considered in consolidated statement of cash-flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at March 31, 2022
Long-term borrowings*	0.00	-	-	0.00
Short-term borrowings	468.35	(33.29)	0.00	435.06
Lease liabilities	10.68	(3.67)	4.14	11.15

Particulars	As at April 1, 2020	Changes considered in consolidated statement of cash-flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at March 31, 2021
Long-term borrowings*	0.00	-	-	0.00
Short-term borrowings	1,224.04	(755.70)	0.01	468.35
Lease liabilities	10.00	(4.74)	5.42	10.68

* Amount is less than ₹ 0.01 crore

6 The above consolidated statement of cash flows includes ₹ 3.81 crore (March 31, 2021: ₹ 2.10 crore) towards corporate social responsibility (refer note: 47).

The attached notes 1 to 66 are an integral part of these consolidated financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

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Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

1 Background

Sterling and Wilson Renewable Energy Limited (Formerly known as Sterling and Wilson Solar Limited) ("the Company" or "Holding Company") was incorporated as a Private Limited Company on March 9 2017 under the Companies Act, 2013. The Company is one of India's leading Solar EPC contractor with a pan India presence and international operations in Middle East, South East Asia, Africa, Philippines, Thailand, Europe, South America, Latin America, Australia and USA. These consolidated financial statements comprise the Company and its subsidiaries (hereinafter collectively referred to as "the Group").

The Group is specialised in complete turn-key and Roof top solutions for Solar EPC solutions with having experience of executing more than 200 projects. The principal activity of the Group includes import, export and trading of Solar modules, structures, invertors and related accessories, installation and maintenance of Solar power generating facilities and other related activities. The Group is also engaged in the business of : a) setting up of power plants, solar energy systems, renewable energy systems or any other facility including Hybrid Energy Systems and Energy Storage (BESS) and (ESS) plants with predominantly non fossil fuels to generate power and to produce and b) integrated solid waste/ biomass management including Waste to Energy using MSW (Municipal Solid Waste) as fuel for Power Generation, using Biomass as fuel for Power Generation, selective Power to Synthetic Gas using excess renewable power, Power Plant for the demand response market.

The Company was incorporated on March 9, 2017 as Rashmika Energy Private Limited. The Company was renamed as Sterling and Wilson Solar Private Limited on April 24, 2018. The Company was renamed to Sterling and Wilson Solar Limited on January 25, 2019 and thereafter renamed as Sterling and Wilson Renewable Energy Limited on November 16, 2021. The Company was listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India on August 20, 2019.

Effective December 30, 2021, the Company became an Associate of Shapoorji Pallonji and Company Private Limited ("SPCPL"). Prior to this date it was a subsidiary of SPCPL.

2 Basis of preparation of the consolidated financial statements

a Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company at their meeting held on April 7, 2022.

b Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded off to the nearest two decimal places in crore, unless otherwise stated.

c Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- employee's defined benefit plan as per actuarial valuation.

d Use of estimates and judgments

The preparation of the consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

The Group has also assessed the possible impact of COVID-19 in preparation of the consolidated financial statements, including but not limited to its assessment of liquidity, recoverable values of its financial and

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

non-financial assets and impact on estimated costs to be incurred towards of all projects under execution. The Group has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these consolidated financial statements, and this will continue to closely monitor any material changes to future economic conditions.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31 2023 are as follows:

(i) Evaluation of percentage of completion

Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenue from the project or activity and foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the consolidated financial statements for the year in which such changes are determined.

(ia) Estimation uncertanity related to COVID-19

The Group has also assessed the possible impact of COVID-19 in preparation of the consolidated financial statements, including but not limited to its assessment of liquidity, recoverable values of its financial and non-financial assets including impact on estimated costs to be incurred towards of all projects under execution. The Group has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these consolidated financial statements, and this will continue to closely monitor any material changes to future economic conditions (Also refer note 64).

(ii) Estimated useful lives of property, plant and equipment and Intangible assets

The Group estimates the useful lives of property, plant and equipment and intangible assets based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment and intangible assets is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different based from that prescribed in Schedule II of the Act, they are based on internal technical evaluation. Assumptions are also made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised. The estimation of residual value of assets is based on management's judgment about the condition of such asset at the point of sale of asset.

(iii) Recoverability of deferred income tax assets

In determining the recoverability of deferred income tax assets, the Group primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Group reviews its deferred income tax assets at every reporting year end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

(iv) **Measurement of defined benefit obligations and other employee benefit obligations**

The Group's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years/periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the other long-term employment benefits.

The present value of the obligation is determined based on actuarial valuation at the balance sheet date by an Independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. 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 balance sheet date.

(v) **Provision for obsolete inventory**

The Group reviews its inventory to assess loss on account of obsolescence on a regular basis. In determining whether provision for obsolescence should be recorded in the consolidated statement of profit and loss, the Group makes judgments as to whether there is any observable data indicating that there is any future salability of the product, including demand forecasts and shelf life of the product. The provision for obsolescence of inventory is based on the ageing and past movement of the inventory.

(vi) **Impairment losses on financial assets**

The Group reviews its financial assets to assess impairment at regular intervals. The Group's credit risk is primarily attributable to its financial assets. In determining whether impairment losses should be reported in the consolidated statement of profit and loss, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

(vii) **Impairment losses on investment**

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(viii) **Measurement of fair values**

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

– Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

– Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

– Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:-

– Note 52 – financial instruments

(ix) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgement and estimates in recognising the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

(x) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

(xi) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

(xii) Determination of lease term and Discount rate

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

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.

(xiii) Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also 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. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses Black-Scholes model.

The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 45 to the consolidated financial statements.

3.1 Principles of consolidation

a Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31 2022. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., March 31 2022. When the end of the reporting year of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the standalone financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes

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applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

For a list of Legal entities / business fully included in these consolidated financial statements, refer Note 54 - List of branches and subsidiaries.

b Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

c Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of the Group.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest in joint venture or financial asset.

3.2 Business combinations

Business combinations (other than common control business combinations)

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the consolidated statement of profit and loss or OCI, as appropriate.

Common control transactions

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interests method as follows:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets and liabilities. Adjustments are only made to harmonise accounting policies.

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(iii) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

(iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

(v) The identity of the reserves are preserved and the reserves of the transferor become reserves of the transferee.

(vi) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

3.3 Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Group's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) the Group does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

In respect of the Solar engineering, procurement and construction services (EPC) segment of the Group, the construction projects usually have long gestation periods and based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 18 months for the purpose of current - non-current classification of assets and liabilities. For the operations and maintenance operations, the operating cycle is ascertained as 12 months for the purpose of current – non-current classification of the assets and liabilities.

3.4 Foreign currency

(i) Foreign currency transactions

- Initial Recognition

All transactions that are not denominated in the Group's functional currency are foreign currency transactions. These transactions are initially recorded in the functional currency by applying the appropriate daily rate which best approximates the actual rate of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the consolidated statement of profit and loss.

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- **Measurement of foreign currency items at the reporting date**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at 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 the transaction. Exchange differences are recognised in the consolidated statement of profit and loss, except exchange differences arising from the translation of the equity investments classified as fair value through OCI (FVOCI) which is recognised in OCI.

(ii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries and branches) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the consolidated statement profit and loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the consolidated statement of profit and loss.

3.5 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.

(a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Group's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity."

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

– contingent events that would change the amount or timing of cash flows;

– terms that may adjust the contractual coupon rate, including variable interest rate features;

– prepayment and extension features; and

– terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

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Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

(i) Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the consolidated statement of profit and loss.

(ii) Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in the consolidated statement of profit and loss.

(iii) Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the consolidated statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the consolidated statement of profit and loss.

(iv) Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income in the consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the consolidated statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit and loss. See Note 3.5 (e) for financial liabilities designated as hedging instruments.

(c) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is

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recognised in the consolidated statement of profit and loss.

(d) **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) **Derivative financial instruments and hedge accounting**

The Group holds derivative financial instruments to hedge its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the consolidated statement of profit and loss.

The Group designates certain derivatives as hedging instruments to hedge variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivatives is recognised immediately in the consolidated statement of profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to the consolidated statement of profit and loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or for other cash flow hedges, it is reclassified to the consolidated statement of profit and loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the consolidated statement of profit and loss.

3.6 Fair Value

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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:

(i) in the principal market for the asset or liability; or

(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows,

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the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 : quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting year.

3.7 Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses.

If the cost of an individual part of property, plant and equipment is significant relative to the total cost of the item, the individual part is accounted for and depreciated separately.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the subsequent expenditure can be measured reliably.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the consolidated statement of profit and loss as and when incurred.

Capital work in progress and Capital advances:

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

Depreciation

Depreciation on property, plant and equipment has been provided using the straight line method over the estimated useful lives prescribed by Schedule II of the Act, except for certain items of plant and machinery (such as welding machine, drilling machine, porta cabin etc. whose useful life has been estimated to be five years) wherein depreciation is provided based on the estimated useful lives of the plant and machinery so acquired, determined by the Group's management based on the technical evaluation carried out by the projects team. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The useful lives used, as set out in the following table, lower than or higher than or as those specified in Schedule II of the Act as under :

Assets	Life in no. of years	Schedule II useful lives
Building	10 years to 30 years	30 years
Plant and equipment	2 years to 25 years	15 years
Furniture and fixtures	3 years to 10 years	10 years
Vehicles	3 years to 10 years	8 years to 10 years
Computer hardware	3 years to 6 years	3 years / 6 years

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Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Lease hold improvements are amortised over the primary lease period or the useful life of the assets, whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase. The residual value of property, plant and equipment is estimated by management to be 5% of cost.

3.8 Goodwill

For measurement of goodwill that arises on a business combination, refer note 3.2. Subsequent measurement is at cost less any accumulated impairment losses.

3.9 Other intangible assets

Intangible assets comprise primarily of computer software (including enterprise systems) and licenses (including construction license and ISO license). Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Other intangible assets are amortised over an expected benefit period using straight line method. The useful lives used, as set out in the following table, higher than or as those specified in Schedule II of the Act as under

Assets	Life in no. of years	Schedule II useful lives
Computer Software	1 years to 10 years	5 years
Computer hardware	5 years	5 years

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Derecognition

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit and loss in the period the asset is derecognised.

3.10 Leases

At the inception of a contract, the Group assesses whether a contract is or contains, a lease. 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 of consideration. To assess whether a contract conveys the right to control the use of an asset the Group assesses whether:

– The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

– The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

– The Group has the right to direct the use of the asset.The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

As a lessee

Right-of-use assets:

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the

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terms and conditions of the lease. The Group measures right-of-use assets at cost less accumlated depreciation and any accumulated impairment losses.

Lease liabilities

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than 12 months or less and leases of low-value assets, including IT Equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Group's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

3.11 Inventories

Material at central stores comprises modules, wires, cables, components, stores and spares. Stock in trade comprises of land acquired for Solar EPC projects.

Inventories are valued at lower of cost or net realisable value; cost is determined on the moving weighted average method basis. 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.

3.12 Impairment

Impairment of non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

(i) Trade receivables, lease receivables and contract assets; and

(ii) Financial assets measured at amortised cost (other than trade receivables, lease receivables and contract assets).

In case of trade receivables, lease receivables and contract assets, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognition as loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of ECL.

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.Lifetime ECL are the expected credit losses resulting from all possible defaults events over the expected life of a financial asset. 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

– The Company considers a financial asset to be in default when:

– the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

– the financial asset is 90 days or more past due.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money

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and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

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 is recognised as an impairment gain or loss in the consolidated statement of profit and loss.

Impairment of non-financial assets

The carrying amount of the Group's non-financial assets, other than inventories and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.13 Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

(i) Defined contribution plans

A defined contribution plan is a plan for the post employment benefit of an employee under which the Group pays fixed periodic contributions into Provident Fund and Employee State Insurance Corporations in accordance with Indian regulations. The Group has no further legal or constructive obligation to pay once contributions are made. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the consolidated statement of profit and loss in the year during which the related services are rendered by employees. In respect of overseas entities, the Group's contribution towards defined contribution benefit plan is accrued in compliance with the domestic laws of the country in which the consolidated foreign entities operate.

(ii) Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of the gratuity benefit scheme is calculated by

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estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. 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 balance sheet date.

All remeasurement gains and losses arising from defined benefit plans are recognised in the consolidated statement of other comprehensive income in the period in which they occur and not reclassified to the consolidated statement of profit and loss in the subsequent period. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs in the consolidated statement of profit and loss.

Other long-term employee benefits

The Group's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated at the balance sheet date on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. Remeasurements gains or losses are recognised in the consolidated statement of profit and loss in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under long term employment benefits, are based on the market yields on Government securities as at the balance sheet date.

Equity settled 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. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate 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. 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.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise

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beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.14 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed

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. However the same are disclosed in the standalone financial statements where an inflow of economic benefits is probable.

Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

3.15 Revenue recognition

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from April 01, 2018. The Group has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers:

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

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Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue from works contracts

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Any variations in contract work, claims, incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Group.

Revenue from sale of goods

The Group recognises revenue from sale of goods once the customer takes possession of the goods. Revenue respresents the invoice value of goods provided to third parties net of discounts and sales taxes/value added taxes/Good and Service Tax.

Operation and maintenance income:

The Group recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

3.16 Contract assets and Contract liabilities

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

3.17 Export incentives

Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds. The export incentives are disclosed as other income in the consolidated financial statements.

3.18 Recognition of dividend income, interest income or expense

Dividend income is recognised in the consolidated statement of profit and loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

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The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

– the gross carrying amount of the financial asset; or

– the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.19 Income tax

Income-tax comprises current and deferred tax. It is recognised in the consolidated statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

On March 30, 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 1, 2019. As per the Group's assessment, there are no material uncertainties over income tax treatments.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using applicable tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

– temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

– temporary differences related to investments in subsidiaries and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

– taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.20 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

3.21 Consolidated statement of cash flows

The Group's consolidated statement of cash flows are prepared using the Indirect method, whereby (loss)/ profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value.

3.22 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

3.23 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting year the impact of such events is adjusted with the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

4 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 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

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5 Property, Plant and Equipment and Capital work-in-progress

Reconciliation of carrying amount for the year ended March 31, 2022

Particulars	Building	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total	Capital work-in progress
Gross carrying amount :								
Balance as at April 1 ,2021	**0.15**	**6.13**	**39.89**	**1.94**	**1.91**	**8.15**	**58.17**	**0.07**
Add: Additions during the year	-	-	8.50	0.10	0.02	0.45	9.07	0.01
Less: Disposals / written off / transferred during the year	-	-	6.66	-	-	-	6.66	0.01
Add: Exchange differences on translation of foreign operations	(0.01)	0.12	0.58	0.03	0.03	(0.02)	0.73	(0.00)
Balance as at March 31, 2022	**0.14**	**6.25**	**42.31**	**2.07**	**1.96**	**8.58**	**61.31**	**0.07**
Accumulated depreciation and amortisation :								
Balance as at April 1, 2021	**-**	**3.83**	**19.10**	**0.95**	**0.66**	**5.34**	**29.88**	**-**
Add: Depreciation and amortisation for the year	-	0.58	7.30	0.18	0.16	1.59	9.81	-
Less: Disposals / written off / transferred during the year	-	-	4.60	-	-	-	4.60	-
Add: Exchange differences on translation of foreign operations*	-	0.11	0.43	(0.10)	0.02	0.00	0.46	-
Balance as at March 31, 2022	**-**	**4.52**	**22.23**	**1.03**	**0.84**	**6.93**	**35.55**	**-**
Carrying amounts (net)								
At April 1, 2021	**0.15**	**2.30**	**20.79**	**0.99**	**1.25**	**2.81**	**28.29**	**0.07**
At March 31, 2022	**0.14**	**1.73**	**20.08**	**1.04**	**1.12**	**1.65**	**25.76**	**0.07**

*Amount is less than ₹ 0.01 crore

Reconciliation of carrying amount for the year ended March 31, 2021

Particulars	Building	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total	Capital work-in progress
Gross carrying amount :								
Balance as at April 1, 2020	**0.16**	**5.91**	**34.07**	**1.60**	**2.19**	**7.19**	**51.12**	**3.26**
Add: Additions during the year	-	0.38	10.81	0.17	-	0.88	12.24	2.03
Less: Disposals during the year	-	1.09	3.80	0.01	0.27	-	5.17	5.21
Add: Exchange differences on translation of foreign operations	(0.01)	0.93	(1.19)	0.18	(0.01)	0.08	(0.02)	(0.01)
Balance as at March 31, 2021	**0.15**	**6.13**	**39.89**	**1.94**	**1.91**	**8.15**	**58.17**	**0.07**
Accumulated depreciation and amortisation :								
Balance as at April 1, 2020	**-**	**2.32**	**14.36**	**0.65**	**0.62**	**3.79**	**21.74**	**-**
Add: Depreciation and amortisation for the year	-	1.56	7.08	0.29	0.31	1.55	10.79	-
Less: Disposals during the year	-	-	2.40	0.01	0.27	-	2.68	-
Add: Exchange differences on translation of foreign operations	-	(0.05)	0.06	0.02	0.00	(0.00)	0.03	-
Balance as at March 31, 2021	**-**	**3.83**	**19.10**	**0.95**	**0.66**	**5.34**	**29.88**	**-**
Carrying amounts (net)								
At April 1, 2020	**0.16**	**3.59**	**19.71**	**0.95**	**1.57**	**3.40**	**29.38**	**3.26**
At March 31, 2021	**0.15**	**2.30**	**20.79**	**0.99**	**1.25**	**2.81**	**28.29**	**0.07**

*Amount is less than ₹ 0.01 crore

Notes:

a) Borrowing cost capitalised ₹ Nil for the year ended March 31, 2022 (March 31, 2021: ₹ Nil).

b) Impairment loss recognised ₹ Nil for the year ended March 31 2022 (March 31, 2021: ₹ Nil).

c) Adjustments includes the exchange fluctuation of ₹ 0.73 crore for the year ended March 31, 2022 (March 31, 2021: ₹ (0.03) crore) on gross block and ₹ 0.46 crore for the year ended March 31, 2022 (March 31 2021: ₹ 0.03 crore) on accumulated depreciation / amortisation due to translation of property, plant and equipment of all foreign operations at closing exchange rate.

d) Movable fixed assets with carrying amount of ₹14.73 crore for the year ended March 31, 2022 (March 31, 2021: ₹ 18.18 crore) are subject to first charge to secured bank loans obtained by the Holding Company.

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e) Ageing of capital work in progress:

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
March 31, 2022	**-**	**0.07**	**-**	**-**	**0.07**
March 31, 2021	(0.07)	-	-	-	(0.07)

6 Business Combination

Acquisition of GCO Solar Pty Ltd. (formerly known as GCO Electrical Proprietary Limited)

Effective December 31, 2018, the Group acquired 76% ownership interest in GCO Electrical Pty Ltd., Australia. Subsequently on Jaunary 1, 2021, the Group has acquired additional 24% ownership interest in GCO Electrical Pty Ltd. Accordingly, the GCO Electrical Pty Ltd., become 100% subsidiary company w.e.f. February 11, 2021.

The determined fair values of the assets and liabilities of GCO Electrical Pty Ltd. as at the date of acquisition are as follows:

Description	Amounts
Property, plant and Equipment	2.55
Inventories	1.38
Trade receivables	4.13
Cash and cash equivalents	0.64
Other Financial Liabilities	(1.26)
Trade payables	(5.66)
Total identifiable net assets acquired	**1.79**
Less: Share of NCI in total net assets	**0.43**
Add: Intangible asset (Certification and licenses) arising on acquisition (Note 7)	**0.35**
Less: Purchase Consideration Payable	**4.83**
Goodwill on acquisition	**3.13**
Add: Exchange differences on translation of foreign operations for the year ended March 31 2020	**0.23**
Goodwill as at March 31, 2020	**3.36**
Less: Provision for Impairment for the year	**3.36**
Goodwill as at March 31, 2021	**-**

For the non-controlling interest, the Group has elected to recognise the non-controlling interest at its proportionate share of the acquired net identifiable assets.

The gross contractual amounts and the fair value of trade receivables acquired is ₹ 4.14 crore. None of the trade receivables are credit impaired and it is expected that the full contractual amounts will be recoverable. Goodwill on acquisition was ₹ 3.12 crore and it is not expected to be deductible for tax purpose.

From the date of acquisition, GCO Electrical Proprietary Limited contributed ₹ 2.60 crore of revenue and ₹ 1.75 crore of loss to the Group. If the acquisition had taken place at the beginning of the period, the Group's revenue and profit would have been ₹ 8,501.76 crore and ₹ 750.94 crore respectively.

The Company incurred acquisition related cost: ₹ 0.89 crore.

The purchase consideration payable by the Holding Company was transferred to an escrow account as per the share purchase and shareholders agreement ("the agreement"). The purchase consideration shall be

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payable from the Escrow account on the respective dates as follows:

a) Upfront consideration representing 25% of the purchase consideration less the closing loss (loss for the period from June 30, 2018 to December 6, 2018) is payable on December 6, 2018. Since the amount of closing loss exceeded the 25% of the purchase consideration, no amount was paid on December 6, 2018.

b) Conditional consideration representing 75% of the purchase consideration payable in 2 tranches as follows:

  i) First tranche consideration representing 25% of the purchase consideration shall be adjusted for subsidiary's loss for the period from December 6, 2018 to June 6, 2019, other losses due to the occurrence of any event of default as defined in the agreement, receivables at June 30, 2018 not collected as of June 6, 2019 and loss incurred by GCO Electrical Pty Ltd. from payment of a claim made by liquidators of a customer. The first tranche was payable on June 6, 2019, however, the above mentioned conditions were not met on the due date accordingly the consideration amounting to ₹ 1.61 crore towards the first tranche was not payable and written back during the year ended March 31, 2020.

  ii) Second tranche consideration representing 50% of the purchase consideration shall be adjusted for certain carry forward deductions not fully able to be deducted from the first tranche consideration, other losses due to the occurrence of any event of default as defined in the agreement and loss incurred by GCO Electrical Pty Ltd. from payment of a claim made by liquidators of a customer. Accordingly the consideration amounting to ₹ 3.15 crore was paid and balance consideration amounting to ₹ 0.07 crore has been written back during the year ended March 31 2020.

Further, as per the agreement, if in the 3 financial years following December 6, 2018, the subsidiary is able to set off its assessable profit against its carried forward tax losses which have accrued prior to December 6, 2018, the Holding Company shall pay to the sellers an amount equal to 76% of the tax benefit which accrues to GCO Electrical Pty Ltd due to the set off of the accrued losses. However, since the Group has acquired the balance stake of 24% during the year, no liability is payable by the Holding Company in this regard.

Acquisition of additional stake in subsidiary

During the year ended March 31 2021, pursuant to an agreement, the Group acquired additional 24% shares in GCO Solar Pty Ltd. causing the increase in its shareholding to 100% ownership (March 31, 2020: 76% ownership).

Transactions with non-controlling interests

The Group had acquired 76% ownership interest in GCO Solar Pty Ltd. (Formerly known as "GCO Electrical Pty Ltd), Australia on December 31, 2018. On February 11, 2021, the Group acquired the remaining ownership interest of 24% from non-controlling interests.

The effect on the equity attributable to the Group upto February 11, 2021 are as follows:

Particulars	Amount
Carrying value of non-controlling interest acquired*	(10.90)
Consideration paid to non-controlling interests	-
Excess of carrying value over consideration paid recognised in retained earnings	(10.90)

* no material transaction have taken place in GCO Solar Pty Ltd. during the period from January 1, 2021 to February 11, 2021.

The Company incurred acquisition related cost: ₹ Nil.

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

7 Other Intangible Assets

Reconciliation of carrying amount for the year ended March 31, 2022

Particulars	Computer software	Licenses*	Total	Intangible assets under development
Balance as at April 1, 2021	9.75	0.80	10.55	0.32
Add: Additions during the year	0.06	-	0.06	-
Add: Exchange differences on translation of foreign operations	(0.00)	0.03	0.03	-
Balance as at March 31, 2022	**9.81**	**0.83**	**10.64**	**0.32**
Accumulated amortisation and impairment losses:				
Balance as at April 1, 2021	**1.90**	**0.27**	**2.17**	**-**
Add: Amortisation for the year	1.28	0.12	1.40	-
Add: Exchange differences on translation of foreign operations**	0.07	0.01	0.08	-
Balance as at March 31, 2022	**3.25**	**0.40**	**3.65**	**-**
Carrying amounts (net)				
At April 1, 2021	**7.85**	**0.53**	**8.38**	**0.32**
At March 31, 2022	**6.56**	**0.43**	**6.99**	**0.32**

* includes Construction License and ISO License.

** Amount is less than ₹ 0.01 crore

Reconciliation of carrying amount for the year ended March 31, 2021

Particulars	Computer software	Licenses*	Total	Intangible assets under development
Balance as at April 1, 2020	2.91	0.82	3.73	0.32
Add: Additions during the year	6.83	-	6.83	-
Add: Exchange differences on translation of foreign operations	0.01	(0.02)	(0.01)	-
Balance as at March 31, 2021	**9.75**	**0.80**	**10.55**	**0.32**
Accumulated amortisation and impairment losses:				
Balance as at April 1, 2020	**1.15**	**0.15**	**1.30**	**-**
Add: Amortisation for the year	0.75	0.12	0.87	-
Add: Exchange differences on translation of foreign operations	-	(0.00)	(0.00)	-
Balance as at March 31, 2021	**1.90**	**0.27**	**2.17**	**-**
Carrying amounts (net)				
At April 1, 2020	**1.76**	**0.67**	**2.43**	**0.32**
At March 31, 2021	**7.85**	**0.53**	**8.38**	**0.32**

* includes Construction License and ISO License.

Notes:

a) Nil amount of borrowing cost is capitalised during the year ended March 31, 2022 (March 31 2021: ₹ Nil)

b) Adjustments includes the exchange fluctuation of ₹ 0.03 crore for the year ended March 31, 2022 (March 31, 2021: ₹ (0.01) crore) on gross block and ₹ 0.05 crore for the year ended March 31, 2022 (March 31, 2021: ₹ (0.00) crore) on accumulated amortisation due to translation of intangible assets and intangible assets under development of all foreign operations at closing exchange rate.

c) Impairment loss recognised ₹ Nil for the year ended March 31, 2022 (March 31, 2021: ₹ Nil).

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

d) Ageing of capital work in progress:

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	Total
Projects in progress				
March 31, 2022	**-**	**-**	**0.32**	**0.32**
March 31, 2021	-	0.32	-	0.32

8 Other Non-current Financial Assets

Particulars	March 31, 2022	March 31, 2021
Bank deposits* (due to mature after 12 months from reporting date)	4.00	5.17
Security deposits	0.77	0.77
	4.77	**5.94**

* Fixed deposit with banks to the extent of ₹ 4.00 crore (March 31, 2021: ₹ 5.17 crore) is held as margin money or security against the guarantees and other commitments.

9 Deferred Tax Assets (net)

Particulars	March 31, 2022	March 31, 2021
Deferred tax assets		
Carry forward business losses	48.51	60.30
Excess of depreciation as per Income tax Act, 1961 over book depreciation	0.02	-
Employee benefits	2.41	2.20
Unabsorbed depreciation	3.27	1.95
Expected credit loss on financial assets	11.23	15.11
Provision for mark to market losses on derivative instruments	5.13	22.77
Provision for liquidated damages	30.63	18.64
Others	-	0.12
	101.20	**121.09**
Deferred tax liabilities		
Excess of depreciation as per book depreciation over Income tax Act, 1961	-	(0.49)
Others	(0.32)	(0.02)
	(0.32)	**(0.51)**
Deferred tax assets (net)	**100.88**	**120.58**

10 Other Income Tax Assets (net)

Particulars	March 31, 2022	March 31, 2021
Advance tax	42.86	36.60
	42.86	**36.60**

11 Other Non-current assets

(Unsecured, considered good)

Particulars	March 31, 2022	March 31, 2021
To parties other than related parties		
Prepayments	-	12.60
Balance with government authorities	1.85	1.85
	1.85	**14.45**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

12 Inventories

(valued at lower of cost or net realisable value unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
Construction materials, stores and spare parts	2.76	1.95
Stock-in-trade	1.14	1.14
	3.90	**3.09**
Carrying amount of inventories (included above) pledged as securities for borrowings	3.90	3.09
The write-down/ (reversal of write down) of inventories to net realisable value during the year	-	-
Carrying amount of inventories in transit	-	-

13 Trade Receivables

(Unsecured)

Particulars	March 31, 2022	March 31, 2021
- Considered good (refer note 60)	783.96	848.86
- Significant increase in credit risk	-	-
- Credit impaired	41.83	51.27
	825.79	**900.13**
Less: Loss allowances*	(41.83)	(51.27)
	(41.83)	**(51.27)**
	783.96	**848.86**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	212.79	220.88
Loss allowances*	-	-
	212.79	**220.88**

* The loss allowance on trade receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for trade receivables considered good on the basis that credit risk exists even though it may be very low. The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 52 and 60, also refer note 59. As at March 31, 2022, trade receivables includes retention of ₹ Nil (March 31, 2021: ₹ Nil) relating to construction contracts in progress..

Dues from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2022	March 31, 2021
Shapoorji Pallonji and Company Private Limited	61.49	86.72
Sterling and Wilson Private Limited	14.10	2.21
Sterling Generators Private Limited (formerly known as Sterling and Wilson Powergen Private Limited)	0.47	1.58
	76.06	**90.51**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Ageing for trade receivables outstanding as at March 31, 2022 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	255.94	84.36	60.27	111.48	271.91	783.96
Disputed trade receivables - credit impaired	-	-	-	-	41.83	41.83
	255.94	**84.36**	**60.27**	**111.48**	**313.74**	**825.79**
Less: Loss allowances						(41.83)
						783.96

Ageing for trade receivables outstanding as at March 31, 2021 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	323.55	85.66	163.76	253.71	22.18	848.86
Disputed trade receivables - credit impaired	-	-	-	-	51.27	51.27
	323.55	**85.66**	**163.76**	**253.71**	**73.45**	**900.13**
Less: Loss allowances						(51.27)
						848.86

14 Cash and Cash Equivalents

Particulars	March 31, 2022	March 31, 2021
Balances with Bank		
- in current accounts	457.15	210.62
Cheques on hand	-	8.38
Cash on hand	0.36	0.82
	457.51	**219.82**

15 Bank Balances other than Cash and Cash Equivalents

Particulars	March 31, 2022	March 31, 2021
Balances with banks		
- in current accounts*	2.92	2.31
- Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)**	43.61	68.82
	46.53	**71.13**

* Current account balances with banks include ₹ 1.34 crore (March 31, 2021: ₹ 2.30 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, ₹ 1.57 crore (March 31, 2021: ₹ Nil) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (March 31, 2021: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

** The balance in deposit accounts includes ₹ 43.61 crore (March 31, 2021: 68.82 crore) is held as margin money or security against the guarantees and other commitments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

16 Loans (Current)

(Secured)

Particulars	March 31, 2022	March 31, 2021
To related parties		
Inter-Corporate Deposits / Loans given to fellow subsidiaries (net)	-	460.17
(Unsecured)		
To related parties		
Inter-Corporate Deposits / Loans given to fellow subsidiaries (net)*	-	425.08
To parties other than related parties		
Loan to employees	1.14	0.74
	1.14	**885.99**

* Subsequent to the year ended March 31, 2021, Inter-Corporate Deposits / Loans given to fellow subsidiaries have been secured against the hypothecation of receivables from custome of fellow subsidiary.

Dues from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2022	March 31, 2021
Inter-Corporate Deposits / Loans given to fellow subsidiaries:		
Sterling and Wilson International FZE (net)	-	487.70
Sterling and Wilson Private Limited (net)	-	397.55
	-	**885.25**

17 Derivatives

Particulars	March 31, 2022	March 31, 2021
Foreign currency forward exchange contract assets	-	1.92
	-	**1.92**

18 Other Financial Assets

Particulars	March 31, 2022	March 31, 2021
(Unsecured, considered good)		
From related parties		
Other receivables*	32.35	17.69
From parties other than related parties		
Interest accrued on		
- fixed deposits	-	0.76
Security deposits	14.39	18.58
Interest accrued on receivable from customer	-	6.27
Other receivables** (refer note 59, 60 and 61)	714.36	183.17
	761.10	**226.47**

*includes receivable towards the employee liability taken over and recovery of expenses incurred.

** includes receivable towards encashment of irrevocable letter of credit, claim against suppliers, insurance claims, Bank guarantee invocation etc.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2022	March 31, 2021
Other receivables		
Shapoorji Pallonji and Company Private Limited	4.08	-
Sterling and Wilson Cogen Solutions Private Limited	0.01	-
Sterling and Wilson Private Limited	10.05	-
Sterling and Wilson International FZE	18.21	17.69
	32.35	**17.69**

19 Current Tax Assets (net)

Particulars	March 31, 2022	March 31, 2021
Advance tax	1.96	0.88
	1.96	**0.88**

20 Other Current Assets

(Unsecured, considered good)

Particulars	March 31, 2022	March 31, 2021
From related parties		
Unbilled receivables	1.01	6.41
From parties other than related parties		
Unbilled receivables	782.46	675.07
Advances for supply of goods and services	107.00	217.02
Advance for projects	-	0.93
Other recoverables*	0.30	0.29
Balance with government authorities	330.01	308.50
Prepayments	29.28	17.98
Advances to employees	0.89	0.71
	1,250.95	**1,226.91**

* Includes insurance claim receivables

Dues from firms or private companies in which any director is a partner or a director or member

Particulars	March 31, 2022	March 31, 2021
Unbilled receivables		
Shapoorji Pallonji and Company Private Limited	0.97	0.53
Sterling and Wilson Private Limited	0.03	0.15
	1.00	**0.68**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

21 Share Capital

Particulars	March 31, 2022	March 31, 2021
Authorised		
500,000,000 equity shares of ₹ 1 each (March 31, 2021: 500,000,000 equity shares of ₹ 1 each)	50.00	50.00
1,000,000 preference shares of ₹ 100 each (March 31, 2021: 1,000,000 equity shares of ₹ 100 each)	10.00	10.00
Issued, subscribed and fully paid up:		
189,693,333 equity shares of Re 1 each (March 31, 2021: 160,360,000 equity shares of ₹ 1 each, fully paid-up)	18.97	16.04
	18.97	**16.04**

(A) Reconciliation of shares outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Equity shares				
Balance as at the beginning of the year	**160,360,000**	**16.04**	**160,360,000**	**16.04**
Add: Equity shares issued during the year	29,333,333	2.93	-	-
Balance as at the end of the year	**189,693,333**	**18.97**	**160,360,000**	**16.04**

(B) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(C) Shares held by holding company

Particulars	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
Equity shares				
Shapoorji Pallonji and Company Private Limited, the holding company*	47,329,886	4.73	81,110,790	8.11

*Pursuant to the Share Subscription Agreement ("SSA") dated October 10, 2021 entered into between the Company, Shapoorji Pallonji and Company Private Limited ("SPCPL"), Mr. Khurshed Yazdi Daruvala and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) ("RNEL"), 2,93,33,333 equity shares were allotted by the Company on December 30, 2021 to RNEL on a preferential basis. Pursuant to the Share Purchase Agreement ("SPA") dated October 10, 2021 entered into between SPCPL, Mr. Khurshed Yazdi Daruvala and RNEL, SPCPL has sold 1,84,00,000 equity shares of the Company to RNEL on January 06, 2022. Also, pursuant to the open offer made by RNEL, 84,76,251 equity shares were acquired by RNEL on January 28, 2022. Further, SPCPL and Mr. Khurshed Yazdi Daruvala have sold 1,53,80,904 and 42,86,846 equity shares respectively to RNEL on February 09, 2022. On completion of all the above, RNEL holds 7,58,77,334 equity shares representing 40.00% of the total share capital of the Company as on date. Accordingly effective December 30, 2021 the Company ceased to be a subsidiary of SPCPL.

Notes to the Consolidated Financial Statements

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(D) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	March 31, 2022		March 31, 2021	
	Number	% holding	Number	% holding
Equity shares				
Shapoorji Pallonji and Company Private Limited	47,329,886	24.95%	81,110,790	50.58%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited	75,877,334	40.00%	-	0.00%
Khurshed Daruvala, Chairman	11,384,544	6.00%	15,671,390	9.77%
Kainaz Khurshed Daruvala	13,000,200	6.85%	13,000,200	8.11%

(E) Details of shares held by promoters

March 31, 2022

Promoter name	Number	% holding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Shapoorji Pallonji and Company Private Limited	47,329,886	24.95%	-25.63%	81,110,790	50.58%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited)	75,877,334	40.00%	40.00%	-	0.00%
Khurshed Daruvala, Chairman	11,384,544	6.00%	-3.77%	15,671,390	9.77%

March 31, 2021

Promoter name	Number	% holding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Shapoorji Pallonji and Company Private Limited	81,110,790	50.58%	0.00%	81,110,790	50.58%
Khurshed Daruvala, Chairman	15,671,390	9.77%	-15.97%	41,274,990	25.74%

(F) Equity Shares allotted as fully paid-up without payment being received in cash

During the year ended 31 March 2018:

a) 16,036,000 equity shares were issued without payment being received in cash pursuant to the scheme of arrangement of merger of the Solar EPC ("S-EPC") business of Sterling and Wilson Private Limited along with certain subsidiaries engaged in the S-EPC business with the Holding Company.

b) 3,558 equity shares were issued without payment being received in cash on conversion of loan to equity.

(G) Employee stock option

On March 27, 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on May 30, 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective July 15, 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e. July 15, 2021. Refer note 45 for disclosure on share based payments.

Notes to the Consolidated Financial Statements

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22 Other Equity

Particulars	Note	March 31, 2022	March 31, 2021
Capital reserve on demerger	(i)	(181.74)	(181.74)
Capital reserve	(ii)	(1.65)	(1.65)
Legal Reserve	(iii)	1.21	1.21
Capital redemption reserve*	(iv)	0.00	0.00
Employee stock option reserve	(v)	3.71	-
Securities premium reserve	(vi)	1,087.12	-
Retained earnings	(vii)	(6.14)	901.92
Effective portion of cash flow hedge	(viii)	(15.21)	(74.08)
Foreign currency translation reserve	(ix)	10.49	0.18
		897.79	**645.84**

Particulars	March 31, 2022	March 31, 2021
(i) Capital reserve on demerger		
Balance as at the beginning of the year	(181.74)	(181.74)
Balance as at the end of the year	**(181.74)**	**(181.74)**
(ii) Capital reserve		
Balance as at the beginning of the year	(1.65)	(1.65)
Balance as at the end of the year	**(1.65)**	**(1.65)**
(iii) Legal reserve		
Balance as at the beginning of the year	1.21	0.26
Add: Transfer during the year	-	0.95
Balance as at the end of the year	**1.21**	**1.21**
(iv) Capital redemption reserve*		
Balance as at the beginning of the year	0.00	0.00
Add: Transferred from retained earnings	-	-
Balance as at the end of the year	**0.00**	**0.00**
(v) Employee stock option reserve		
Balance as at the beginning of the year	-	
Add: Addition for the year	3.71	
Balance as at the end of the year	**3.71**	**-**
(vi) Securities premium reserve		
Balance as at the beginning of the year	-	-
Add : Addition during the year	1,087.12	-
Balance as at the end of the year	**1,087.12**	**-**

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for the year ended March 31, 2022

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Particulars	March 31, 2022	March 31, 2021
(vii) Retained earnings		
Balance as at the beginning of the year	901.92	1,197.76
Add: (loss) for the year	(909.46)	(285.38)
Less: Remeasurements of defined benefit liability, net of tax (refer note (x) below)	1.40	0.51
Less: Transfer to legal reserve	-	(0.95)
Less: Transfer to non controlling interests	-	(10.02)
Balance as at the end of the year	**(6.14)**	**901.92**
(viii) Effective portion of cash flow hedge		
Balance as at the beginning of the year	(74.08)	-
Gain/(losses) on hedging instruments in cash flow hedges, net of tax	17.62	(121.29)
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	41.25	47.21
Balance as at the end of the year	**(15.21)**	**(74.08)**
(ix) Foreign currency translation reserve		
Balance as at the beginning of the year	0.18	50.29
Add: Exchange difference on translation of foreign operations arisen during the year	10.31	(49.23)
Add: Transfer to non controlling interests	-	(0.88)
Balance as at the end of the year	**10.49**	**0.18**
Total other equity	**897.79**	**645.84**

*Amounts less than ₹ 0.01 crore

Nature and purpose of reserves

(i) **Capital reserve on demerger**

The Company's capital reserve on demerger is on account of the difference between the net assets and liabilities taken over relating to the S-EPC business pursuant to the scheme of arrangement.

(ii) **Capital reserve**

Capital Reserve is mainly on account of acquisition of ownership interests in Sterling and Wilson Middle East Solar Energy L.L.C. (formerly known as Sterling and Wilson Powergen L.L.C.), registered in UAE.

(iii) **Legal Reserve**

Legal reserve is created out of net profits of subsidiary company, in accordance with article 255 of the Federal Law No 8 of 1984 and its amendments relating to Commercial Companies Law of United Arab Emirates.

10% of net income for the period is to be transferred to legal reserve. Further, in accordance with the provisions of the said laws, the subsidiary companies have resolved to discontinue such annual transfers since the balance in the reserve account is 50% of the share capital. The reserve is not available for distribution except in circumstances as stipulated in the said laws.

(iv) **Capital redemption reserve**

Capital redemption reserve is created out of profits available for distribution towards buy back of equity share of a subsidiary. This reserve can be used for the purpose of issue of Bonus shares.

(v) **Employee stock option reserve**

Employee stock option reserve represents the cumulative amounts charged to profit in respect of employee share option arrangements where the scheme has not yet been settled by means of an award of shares to an employees.

(vi) **Securities premium reserve**

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Notes to the Consolidated Financial Statements

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(vii) Retained Earnings

Retained earnings are the (loss) / profits that the Group has incurred / earned till date, less any transfers to general reserve, dividends or other distributions paid to the owners of the Group and also includes Remeasurements of defined benefit liability, net of tax.

(viii) Effective portion of cash flow hedge

The Company has designated its hedging instruments obtained after April 1, 2020 as cash flow hedges and any effective portion of cash flow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Consolidated statement of profit and loss. On the settlement of the hedging instrument, the balance is recycled to consolidated statement of profit and loss.

(ix) Foreign currency translation reserve

These comprise of all exchange differences arising from translation of financial statements of foreign operations.

(x) Analysis of accumulated Other comprehensive income, net of tax

Remeasurement of Defined Benefit Liability

Particulars	March 31, 2022	March 31, 2021
Opening balance	(3.25)	(3.76)
Gain / (Loss) on remeasurement of defined benefit liability, net of tax	1.40	0.51
Closing balance	**(1.85)**	**(3.25)**

23 Non-current Borrowings

Particulars	March 31, 2022	March 31, 2021
Preference shares (Unsecured)		
(Measured at amortised cost)		
510 (March 31, 2021: 510) 7%, Non-convertible, non-cumulative preference shares of 100 baht each, 25 baht paid-up (refer note below)*	0.00	0.00
	0.00	**0.00**

* Amount is less than ₹ 0.01 crore

7%, Non-convertible, Non-cumulative Preference shares of 100 baht each, 25 baht paid-up, were issued by Sterling and Wilson (Thailand) Limited, a subsidiary of the Company. Preference shares carry a preferential right as to dividend over equity shareholders. These preference shares are entitled to one vote per thirty shares at every general meeting of the subsidiary. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up on such shares..

24 Provisions (Non-current)

Particulars	March 31, 2022	March 31, 2021
Provision for employee benefits (refer note 44)		
Gratuity	9.57	9.57
Terminal benefits	4.89	5.55
Other provision	11.00	11.00
	25.46	**26.12**

Other Provision

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars	March 31, 2022	March 31, 2021
As at the beginning of the year		
Add: Additions during the year	11.00	-
Less: Utilisation/ Write back during the year	-	11.00
As at the end of the year	-	-
	11.00	**11.00**

25 Current Borrowings

Particulars	March 31, 2022	March 31, 2021
Secured loans		
Cash credit loan (refer note (a) below)	46.37	97.79
Working capital loan from banks (refer note (b), (c) and (d) below)	270.52	216.15
Commercial papers (refer note (e) below)	-	37.34
Trust receipt (refer note (f) below)	76.03	62.77
Unsecured loans		
Working capital loan from banks (refer note (g) below)	-	25.30
Packing Credit loan (refer note (h) below)	-	29.00
Supplier credit facility (refer note (i) below)	42.14	-
	435.06	**468.35**

Details of the security and repayment terms :

(a) Secured Cash Credit facilities from banks under consortium arrangement carrying amount as at March 31, 2022 of ₹ 46.37 Crore (March 31, 2021: ₹ 97.79 Crore). The bank includes Union Bank of India, State Bank of India, IDBI Bank Limited, DBS Bank India Limited, Axis Bank Limited, ICICI Bank Limited, IndusInd Bank Limited, IDFC First Bank Limited and RBL Bank Limited. The lead bank for the consortium arrangement is Union Bank of India. The Cash Credit is repayable on demand and carries a variable interest rate of 8.45% to 12.00% (March 31, 2021: 8.50% p.a. to 11.75% p.a.). The Cash Credit is secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Holding Company.

(b) Overdraft facility from Emirates NBD Bank is denominated in Arab Emirates Dirham (AED). The loan carries an interest rate of 1-month Eibor + 3% per annum (March 31, 2021: 1-month Eibor + 3% per annum) on actual amount utilised, and are repayable on demand. The overdraft facility is secured by charge over assignment of receivables of a subsidiary company in UAE.

(c) Working capital loan from State Bank of India is denominated in United States Dollar (USD). The loan carries an interest rate of 3-month Libor + 4% per annum and was repaid on April 30, 2021. The loan was secured by stand-by letter of credit of USD 20.00 million and lien over margin money deposit amounting to 10% of the loan facility availed by a subsidiary company in UAE.

(d) Secured Working Capital Loan from banks under consortium arrangement carrying amount as at March 31, 2022 of ₹ 264.72 Crore (March 31, 2021: ₹ 166.65 crore), the banks includes Union Bank of India, State Bank of India, IDBI Bank Limited, DBS Bank India Limited, Axis Bank Limited, ICICI Bank Limited, IndusInd Bank Limited, IDFC First Bank Limited and RBL Bank Limited, the lead bank for the consortium arrangement is Union Bank of India. The loan carries a variable interest rate which ranges from 8.45% to 12.00% (March 31, 2021: 8.50% to 11.75%). The loans are secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. Working Capital Loan is subject to repayment / roll-over on due date, for a period of 30-180 days based on santioned terms and conditions.

(e) Secured commercial paper from IIFCL Mutual Fund Infrastructure Debt Fund Series-I having carrying amount as at 31 March 2021 of ₹ 37.34 crore carries a discount rate of 9.75% p.a.. The commercial paper is repayable on December 2021 and was fully prepaid on 14 October 2021 along with interest upto the date of prepayment.

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for the year ended March 31, 2022

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The commercial paper is secured by charge on Inter corporate deposit receivable from Sterling and Wilson Private Limited, a fellow subsidiary of the Holding Company upto December 29, 2021. The Commercial papar was listed on Bombay Stock Exchange on March 31, 2021.

(f) Trust receipts are availed from Union Bank of India and is denominated in United States Dollar (USD). Trust receipts are secured by charge over assignment of receivables of a subsidiary company in UAE on pari-passu basis, carrying an interest rate of 3-month Libor + 2.50% per annum (March 31, 2021: 3 month Libor + 2.50% per annum) and are repayable within 180 days from the draw down date.

(g) Unsecured Working Capital loan from HSBC Bank carrying amount as at March 31, 2022 of ₹ Nil (March 31, 2021: ₹ 25.30 Crore) carries a variable interest rate ranging from 10.20% p.a. to 10.70% p.a. (March 31, 2021: 10.20% p.a. to 10.70% p.a.). The Company has repaid ₹ 0.30 Crore in April 2021, ₹ 5.00 Crore in May 2021, ₹ 5.00 Crore in June 2021, ₹ 5.00 Crore in July 2021 and remaining ₹ 10 Crore in October 2021.

(h) Unsecured Packing Credit facility from Deustsche Bank carrying amount as at March 31, 2022 of ₹ Nil (March 31, 2021: ₹ 29.00 Crore) carries a interest rate ranging from of 7.00% p.a. to 9.70% p.a. The Company has repaid ₹ 10.00 Crore in May 2021, ₹ 9.00 Crore in August 2021 and remaining ₹ 10.00 Crore in October 2021.

(i) Unsecured Supplier credit facilities from Oxyzo Financial Services Private Limited and OFB Tech Private Limited, carrying amount as at March 31, 2022 of ₹ 20.04 crore and ₹ 22.10 crore respectively (as at March 31, 2021: ₹ Nil) carries an interest rate of 12.00% p.a. and is repayable within 120 days from draw down date.

26 Trade Payables

Particulars	March 31, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	19.16	83.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,375.45	1,730.12
Acceptances*	8.25	42.87
	1,402.86	**1,856.73**

*Acceptances are repayable within a period of 180 days from the date of acceptance.

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 given below.

Particulars	March 31, 2022	March 31, 2021
The principal amount remaining unpaid to any supplier as at the end of each accounting year	19.16	83.74
Interest due thereon	0.06	3.86
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
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 year) but without adding the interest specified under the MSMED Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the each accounting year	4.59	4.59
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	Nil	Nil

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	15.09	2.24	0.84	0.58	0.41	19.16
Undisputed dues - Others	16.87	372.43	785.52	36.10	73.16	91.39	1,375.45
Acceptances	-	8.25	-	-	-	-	8.25
	16.87	**395.77**	**787.76**	**36.94**	**73.74**	**91.80**	**1,402.86**

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	58.12	24.59	0.69	0.26	0.08	83.74
Undisputed dues - Others	14.04	576.49	1,304.01	(428.14)	191.58	72.14	1,730.12
Acceptances	-	42.87	-	-	-	-	42.87
	14.04	**677.48**	**1,328.60**	**(427.45)**	**191.84**	**72.22**	**1,856.73**

27 Derivatives

Particulars	March 31, 2022	March 31, 2021
Foreign currency forward exchange contract liabilities	20.37	98.68
	20.37	**98.68**

28 Other Financial Liabilities

Particulars	March 31, 2022	March 31, 2021
To related parties		
Interest accrued and not due		
- To others	1.86	1.86
Other payables*	5.27	5.33
Employee benefits payable	0.22	0.22
To parties other than related parties		
Interest accrued and due :		
- to micro enterprises and small enterprises (refer note 26)	4.59	4.59
Interest accrued and not due		
- To banks	1.23	1.55
- To others	0.31	0.31
Employee expenses payable	2.25	1.08
Payable for capital goods	-	0.68
Employee benefits payable	19.10	23.54
Other payables*	0.01	28.92
	34.84	**68.08**

*Payable to fellow subsidary on account of transfer of branch w.e.f January 1, 2019, reimbursement of expenses, Payable for mark to market loss on forward contrcats and letter of credit etc.

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

29 Other Current Liabilities

Particulars	March 31, 2022	March 31, 2021
To related parties		
Advances from customers	0.23	-
To parties other than related parties		
Advances from customers	424.46	325.14
Statutory liabilities		
- TDS payable	2.31	6.01
- Goods and Services Tax payable	1.81	9.99
- Fringe Benefit Tax payable	0.55	2.04
- Withholding tax payable	0.54	0.52
- PAYG tax payable	5.57	8.29
- Provident fund payable	1.86	2.52
- Profession tax payable	0.03	0.03
- Employees State Insurance payable	0.40	0.63
- Value added tax payable	4.67	1.31
	442.43	**356.48**

30 Provisions (current)

Particulars	March 31, 2022	March 31, 2021
Provision for employee benefits (refer note 44)		
Gratuity	0.37	0.32
Compensated absences	33.20	34.31
Other provisions		
Provision for liquidated damages (refer note 59)	153.39	98.59
Provision for product warranty	1.86	0.39
Other provision	5.19	4.56
Provision for foreseeable loss/ onerous contracts	17.79	14.71
	211.80	**152.88**

Provision for liquidated damages:

Liquidated damages are contractual obligations affecting the contract revenue in case of the works contracts arising as a result of penalties arising from delays caused in the completion of a contract. For contracts delayed beyond the stipulated contract completion periods, management has estimated the liability that could arise on these contracts.

Provision for product warranty:

The warranty provision represents management's best estimate of the Group's liability under warranties granted on products, based on prior experience and industry averages.

Provision for foreseeable loss/ onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Other Provision

Other provision include provision made towards the Corporate Social Responsibility as per the requierment of Companies Act, 2013 (refer note 48)

Notes to the Consolidated Financial Statements

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Particulars	Liquidated damages	Product warranty	Other Provision	Onerous contracts/ Foreseeable Loss
As at April 1, 2021	98.59	0.39	4.56	14.71
Add: Additions during the year (including foreign exchange adjustments)	54.80	1.47	3.62	3.08
Less: Utilisation/ Write back during the year (including foreign exchange adjustments)	-	-	(2.99)	-
As at March 31, 2022	**153.39**	**1.86**	**5.19**	**17.79**
As at April 1, 2020	67.47	15.80	-	0.86
Add: Additions during the year (including foreign exchange adjustments)	63.04	-	4.56	14.71
Less: Utilisation/ Write back during the year (including foreign exchange adjustments)	(31.92)	(15.41)	-	(0.86)
As at March 31, 2021	**98.59**	**0.39**	**4.56**	**14.71**

31 Current tax liabilities (net)

Particulars	March 31, 2022	March 31, 2021
Provision for current tax	10.19	13.59
	10.19	**13.59**

32 Revenue from Operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of services		
Income from works contracts	4,974.46	4,734.50
Revenue from operation and maintenance services	222.92	252.07
Income from Design and Engineering services	-	61.67
Other operating income		
Sale of scrap	1.56	2.98
Liquidated damages recovered from vendor	-	29.58
Others*	-	0.00
	5,198.94	**5,080.80**

*Amount is less than ₹ 0.01 crore

33 Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income under the effective interest method on:		
- deposits with banks	1.99	5.70
- loan to fellow subsidiaries	38.25	124.53
- loan to employees	0.01	0.05
- receivable from customers	0.32	1.59
- others	-	0.06

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Write back of expected credit loss on financial assets	16.69	2.08
Supplier balances written back	-	5.49
Export incentive	0.03	3.21
Insurance claim received	5.23	1.94
Liabilities no longer required written back	3.29	10.29
Profit on sale of property, plant and equipments (net)	1.01	-
Miscellaneous income	27.88	3.55
	94.70	**158.49**

34 Cost of Construction Materials, Stores and Spare Parts

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory of materials as at the beginning of the year	1.95	13.37
Add: Purchase during the year	2,420.25	3,057.68
Inventory of materials as at the end of the year	2.76	1.95
	2,419.44	**3,069.10**

35 Change in Inventory of Stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventory of stock-in-trade as at the beginning of the year	1.14	1.14
Inventory of stock-in-trade as at the end of the year	1.14	1.14
Decrease in inventory	**-**	**-**

36 Direct Project Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Communication expenses	3.59	3.19
Stores and spare parts consumed	14.84	9.32
Commission expenses	0.44	0.32
Legal and professional fees	27.95	40.05
Printing and stationery expenses	2.36	1.16
Insurance costs	10.29	35.50
Repairs and maintenance - others	47.96	31.26
Selling and marketing expenses	0.14	1.89
Traveling and conveyance expenses	34.58	27.79
Rent (refer note 49)	46.31	43.73
Rates and taxes	6.65	14.68
Electricity, power and fuel	13.07	6.64
Bank charges	85.65	69.50

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provision Liquidated damages	110.19	19.06
Provision for foreseeable losses	3.08	13.19
Security Charges	30.64	20.50
Miscellaneous expenses	43.40	33.27
	481.14	**371.05**
Employee benefits expense		
Salaries, wages and bonus	242.31	173.28
Contribution to provident and other funds (refer note 44)	15.93	8.15
Staff welfare expenses	39.04	18.77
	297.28	**200.20**
Sub-contractor expenses	**2,457.10**	**1,357.10**
	3,235.52	**1,928.35**

37 Employee benefits expense*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus#	188.82	169.50
Contribution to provident and other funds (refer note 44)	20.14	12.34
Gratuity and terminal benefits (refer note 44)	4.33	5.95
Compensated absences (refer note 44)	5.92	6.28
Staff welfare expenses	8.68	14.41
	227.89	**208.48**

* Salaries, wages and bonus, Contribution to funds and Staff welfare expenses are net of ₹ 297.28 crore (March 31, 2021: ₹ 200.20 crore), which pertain to site staff and are transferred to Direct project cost

Includes ₹ 3.71 crore (March 31, 2021: ₹ Nil) towards share based payments, refer note 45)

38 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense		
- on secured loans	39.69	54.47
- on unsecured loans	10.32	22.76
- on dues of micro enterprises and small enterprises	0.06	3.86
- on income tax and indirect taxes	1.13	3.59
- on lease liabilities	0.95	1.09
- on others	11.21	2.75
Other borrowing costs	13.35	4.57
	76.71	**93.09**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

39 Depreciation and Amortisation

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation and amortisation on property, plant and equipment	9.81	10.79
Depreciation on Right-of-use of assets	3.46	4.85
Amortisation of intangible assets	1.40	0.87
	14.67	**16.51**

40 Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Communication expenses	2.88	3.57
Stores and spare parts consumed	0.03	0.31
Commission expenses	0.08	0.08
Legal and professional fees	35.40	27.35
Printing and stationery expenses	0.50	0.73
Insurance costs	11.22	12.66
Repairs and maintenance - others	6.27	8.09
Selling and marketing expenses	8.78	0.48
Traveling and conveyance expenses	12.54	5.16
Rent (refer note 49)	8.22	12.37
Rates and taxes	3.74	15.11
Electricity, power and fuel	0.38	0.79
Payment to auditors (refer note (a) below)	1.11	1.13
Foreign exchange loss (net)	19.55	42.92
Loss on sale of property, plant and equipment (net)	-	0.26
Property, plant and equipment written off and scrapped	-	1.52
Donation	0.01	0.00
Management support fees	2.39	11.41
Bank charges	10.50	11.88
Business support services charges**	12.40	-
Loans and advances written off	-	2.33
Bad debts written off	18.78	0.32
Corporate social responsibility expenses (refer note 47)	4.01	6.66
Expected credit loss on financial assets	6.66	29.77
Security Charges	0.34	0.63
Impairment of goodwill	-	3.36
Mark-to-market losses on derivative instruments (net)	55.15	56.87
Miscellaneous expenses	8.63	8.04
	229.57	**263.80**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

(a) Payment to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor		
Statutory audit*	0.76	0.87
In other capacity		
Tax audit	0.05	0.06
Taxation service	0.11	-
Certification services*	0.16	0.13
Other services (including reimbursement of expenses)	0.03	0.07
	1.11	**1.13**

* Include ₹ 0.10 crore and ₹ 0.06 crore towards statutory audit and certification services, respectively, paid to erstwhile auditors of the Group.

**Business support service charges amounting to ₹ 20.33 crore for the year ended March 31, 2021 were allocated amounting to ₹ 10.78 crore to Employee benefits expense and ₹ 9.75 crore to various heads of Other expenses.

41 Income Taxes

a) Amount recognised in the Consolidated statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expense:		
Current year	-	1.88
Adjustment of tax relating to earlier years	3.70	9.63
	3.70	**11.51**
Deferred tax (credit) Expenses :		
Origination and reversal of temporary differences	1.90	(61.51)
	1.90	**(61.51)**
Tax expenses for the year	**5.60**	**(50.00)**

b) Income tax recognised in other comprehensive income

Particulars	March 31, 2022		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement gain / (losses) on post employment defined benefit plan	1.55	(0.15)	1.40
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	9.89	-	9.89
Effective portion of (losses) on hedging instruments in cash flow hedges	21.39	(3.77)	17.62
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss	55.13	(13.88)	41.25

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars	March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement gain / (losses) on post employment defined benefit plan	0.58	(0.07)	0.51
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	(51.21)	-	(51.21)
Effective portion of (losses) on hedging instruments in cash flow hedges	(159.95)	38.65	(121.30)
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss	63.10	(15.88)	47.22

c) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(Loss) before tax	(910.16)	(340.04)
Tax using the Group's domestic tax rate at 25.168% (March 31, 2021: 25.168%)	(229.07)	(85.58)
Tax effect of:		
Difference in tax rates	96.31	(37.82)
Tax relating to previous periods	3.70	9.63
Current year losses on which no deferred tax asset was recognised	76.95	53.62
Deferred tax recognised in earlier periods reversed in current year	43.91	-
Items on which deferred tax was not recognised in the previous year, now recognised	(1.89)	-
Effect of consolidation of profits of subsidiaries in tax free zone	3.62	4.66
Non-deductible expenses	12.07	5.49
Total tax expense	**5.60**	**(50.00)**

d) The major components of deferred tax (liabilities) / assets arising on account of timing differences are as follows:

Movement in deferred tax balances for the year ended March 31, 2022

Particulars	Net asset/ (liability) April 1, 2021	Recognised in profit or loss during the year	Recognised in OCI during year	Other adjustments/ Forex	Net asset/ (liability) March 31, 2022
Employee benefits	2.20	0.36	(0.15)	-	2.41
Expected credit loss on financial assets	15.11	(3.88)	-	-	11.23
Provision for mark to market losses on derivative instruments	22.77	0.01	(17.65)	-	5.13
Tax losses carried forward	60.30	(11.79)	-	-	48.51
Provision for liquidated damages	18.64	11.99	-	-	30.63
Unabsorbed depreciation	1.95	1.32	-	-	3.27
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	(0.49)	0.51	-	-	0.02
Others	0.10	(0.42)	-	-	(0.32)
Net deferred tax asset	**120.58**	**(1.90)**	**(17.80)**	**-**	**100.88**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Movement in deferred tax balances for the year ended March 31, 2021

Particulars	Net asset/ (liability) April 1, 2020	Recognised in profit or loss during the year	Recognised in OCI during year	Other adjustments/ Forex	Net asset/ (liability) March 31, 2021
Employee benefits	7.75	(5.48)	(0.07)	-	2.20
Expected credit loss on financial assets	5.71	9.40	-	-	15.11
Provision for mark to market losses on derivative instruments	1.59	(1.59)	22.77	-	22.77
Fair valuation of financial assets	(0.00)	0.00	-	-	-
Tax losses carried forward	9.18	51.11	-	0.01	60.30
Provision for liquidated damages	12.09	6.56	-	(0.01)	18.64
Unabsorbed depreciation	-	1.95	-	-	1.95
Amortisation of expenses on merger	0.00	(0.00)	-	-	-
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	(0.16)	(0.33)	-	-	(0.49)
Others	0.21	(0.11)	-	-	0.10
Net deferred tax asset	**36.37**	**61.51**	**22.70**	**-**	**120.58**

Deferred tax assets for the carry forward of unused tax losses and unabsorbed depreciation are recognised as it is probable that future taxable profits will be available against which the unused tax losses and unabsorbed depreciation can be utilised.

e) Unrecognised deferred tax assets

Deferred tax assets have not been recognised as at year end in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

	March 31, 2022		March 31, 2021	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Carry forward losses	792.56	(195.82)	526.06	(82.58)
Unabsorbed depreciation	0.52	(0.16)	1.16	(0.14)
Total	**793.08**	**(195.98)**	**527.22**	**(82.72)**

As included in the table above, the subsidiary of the Company, Sterling Wilson - SPCPL - Chint Moroccan Venture and the subsidiaries of Sterling and Wilson International Solar FZCO, UAE, in Spain, United States of America, Australia and Kazakhstan are subject to income tax in accordance with the countries' respective income tax laws. Since the subsidiaries had incurred losses in the previous periods, the management had decided not to consider the potential deferred tax assets arising from carry forward tax losses of the aforementioned entities in absence of convincing evidence that future profitability will be consistently demonstrated.

f) Unrecognised deferred tax liabilities

Deferred tax liabilities is not recognised amounting to ₹ Nil for the year ended March 31, 2022 (March 31, 2021: ₹ 38.03 crore) for temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

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(Currency: Indian rupees in crore)

g) Tax losses carried forward

	Year ended March 31, 2022	Expiry date	Year ended March 31, 2021	Expiry date
Expire	113.74	2030-2041	132.97	2030-2041
	220.59	2027-2030	72.49	2029-2030
	334.33		**205.46**	
Never expire	642.98		401.99	

42 Earnings per share

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Basic and diluted earnings per share			
Numerator:			
Consolidated (loss) after tax attributable to equity shareholders	A	(909.46)	(285.38)
Denominator:			
Calculation of weighted average number of equity shares			
Number of equity shares at the beginning of the year		160,360,000	160,360,000
Add: Effect of shares issued during the year (based on date of issue of shares)		7,393,607	-
Weighted average number of equity shares outstanding during the year	B	**167,753,607**	**160,360,000**
Basic and diluted earnings per share (₹) *	A / B	(54.21)	(17.80)
Face value per share		1.00	1.00

* The Group has incurred a loss for the year ended March 31, 2022 and accordingly, the effect of potential equity shares to be issued would be anti-dilutive.

43 Contingent Liabilities and Commitments (to the extent not provided for)

A. Contingent Liabilities (Refer note 59)

Particulars		March 31, 2022	March 31, 2021
(a)	Claims against the Group not acknowledged as debts	0.31	0.31
(b)	The Claim against Group under Andhra Pradesh Goods and Services Tax Act, 2017 and Rajasthan Goods and Services Tax Act, 2017 demanding tax, penalty and interest. The Group has filed an appeal against the order to the Appellate Authority*	249.41	249.40
(c)	The Claim against Group under South Africa Income tax Act demanding tax, penalty and interest. The Group has filed an appeal against the order to Honorable Hight Court of Capetown and received the stay order against this demand.	31.26	28.54
(d)	Demand raised by Income Tax authorities	66.63	-
(e)	Demand raised by Egypt VAT inspection authority	56.19	-
(f)	Liquidated damages claims, not acknowledged as debts	790.72	-
Total		**1,194.52**	**278.25**

*The demand was raised on Sterling and Wilson Private Limited ('SWPL') by Authorities. However, Pursuant to the Scheme of Arrangement, the Business of the Group was held in trust by Sterling and Wilson Private Limited ('SWPL') with effect from March 9, 2017 to March 28, 2018 (the date on which Scheme become approved by regulatory authorities). Accordingly, the contingent liability is considered in the books of the Holding Company.

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B. During the current year, a customer in respect of a 93.30 MW DC Photovoltaic solar energy generation facility has initiated Arbitration proceeding for recovery of liquidated damage levied and (unsubstantiated) costs amounting to as at March 31, 2022 ₹ 234.70 crore (March 31, 2021: ₹ 227.57 crore). The Holding Company has responded to the same as part of the proceedings. The customer owes to the Holding Company an overdue amount of ₹ 123.24 crore as at March 31, 2022 (March 31, 2021: ₹ 119.50 crore) towards EPC work with a further amount of ₹ 6.29 crore as at March 31, 2022 (March 31 2021: ₹ 10.17 crore) towards unbilled receivable, which is pending certification of final invoice. The Holding Company has also made a claim of ₹ 66.39 crore as at March 31, 2022 (March 31, 2021: ₹ 94.18 crore) towards prolongation cost, interest on overdue payment and other ancillary costs on the customer. Basis the contractual rights available, the management is confident of full recovery of the receivables and unbilled revenue as at March 31, 2022 and accordingly believes that no further provision is required pertaining to liquidated damages and costs as claimed by the customer. These amounts are covered under indemnity from the promotors of the Holding Company (Refer note 59).

C. A Subsidiary Company has received intimation for liquidated damages from two of its customers for an amount of approximately ₹ 198.03 crore (March 31, 2021: ₹ 87.39 crore). The Subsidiary Company has sent its responses refuting such liquidated damages and has sought extension of time due to various circumstances (including but not limited to the impact of the COVID-19 pandemic). Further, the Subsidiary Company has also made a counter claim of ₹ 105.67 crore (March 31, 2021: ₹ 99.63 crore) for additional cost incurred mainly due to the impact of the COVID 19 pandemic. Contractual documentation is being exchanged and based on management's best estimate and the provision of the Indemnity Agreement (Refer note 59), no provision for liquidated damages has been made.

D. During the year ended March 31, 2021, a significant subcontractor in a particular geography filed for bankruptcy. The subcontractor has levied a claim on a Subsidiary Company for approximately ₹ 97.73 crore (March 31, 2021: 92.15 crore) which has been refuted by the Management. The Subsidiary Company has filed a counter claim on the subcontractor for an amount of ₹ 178.94 crore for noncompliance with contractual obligations. In the opinion of the Management, the subcontractor's claim is not tenable and accordingly, based on Management's best estimate, no provision is required to be made for the same.

E. In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its consolidated financial statements. The Group's management does not reasonably expect that these legal notices, when ultimately concluded and determined, will have a material and adverse effect on Group's results of operations or financial condition.

F. The Hon'ble Supreme Court of India ("SC") by it's order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, the liability for the period from date of the SC order to March 31, 2020 is not significant. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

G. Capital and other commitments

Particulars	March 31, 2022	March 31, 2021
Capital Commitment towards partner's capital contribution in Sterling Wilson - SPCPL - Chint Moroccan Venture	0.01	0.01
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance ₹ Nil (March 31, 2021: ₹ Nil))	0.23	1.83

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(Currency: Indian rupees in crore)

44 Employee Benefits

Defined contribution plan:

Contribution to provident fund, Employees State Insurance Scheme, Super annuation fund and other funds aggregating to ₹ 36.07 crore (March 31, 2021: ₹ 20.49 crore) is recognised as an expense and included in 'Employee benefits expense' and 'direct project costs'.

Defined benefit plan and long-term employee benefits:

General description

Gratuity (Defined benefit plan)

In accordance with Indian law, the Company and its subsidiaries in India has a defined benefit gratuity plan. Every employee in India who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn basic salary) for each completed year of service subject to maximum of ₹ 0.20 crore.

Terminal benefits (Defined benefit plan)

In respect of the overseas subsidiaries, the Group has made provision of ₹ 2.05 crore for the year March 31, 2022 (March 31, 2021: ₹ 1.93 crore), for employees' terminal benefits on the basis prescribed under the labour laws of respective countries in which the overseas subsidiaries operates and same is determined based on acturial valuation basis. Accordingly, the Group has disclosed information related to defined benefits for overseas subsidiaries in the table below.

Compensated absences (Long-term employee benefits)

Long term leave wages are payable to all eligible employees at the rate of daily basic salary for each day of accumulated leave on death or on resignation or upon retirement.

Change in the present value of the defined benefit obligation (Gratuity and terminal benefits)

I Reconciliation of the present value of defined benefit obligation

Particulars	Gratuity and Terminal benefits	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined benefit obligation at the beginning of the year	15.44	13.88
Benefits paid	(3.45)	(2.14)
Current service cost	3.39	3.41
Past Service Cost- Vested Benefits	0.07	-
Interest cost	0.87	0.78
Liability transferred in / acquisitions	0.18	0.16
Liability transferred out	(0.22)	(0.05)
Impact of foreign exchange translation	0.10	(0.03)
Actuarial (gains) recognised in other comprehensive income	-	-
- changes in demographic assumptions	(0.02)	-
- changes in financial assumptions	(0.47)	(0.21)
- experience adjustments	(1.06)	(0.36)
Balance at the end of the year	**14.83**	**15.44**

II Amount recognised in the consolidated statement of profit and loss under employee benefits expense

Particulars	March 31, 2022	March 31, 2021
(i) Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	3.39	3.41
Past Service Cost- Vested Benefits	0.07	-
Interest cost	0.87	0.78
Additional charge recognised during the year	-	1.76
	4.33	**5.95**

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III Remeasurement recognised in other comprehensive income

Particulars	March 31, 2022	March 31, 2021
(i) Expense recognised in the Consolidated Statement of other comprehensive income		
Actuarial gain/ (losses) on obligation for the year	1.55	0.58
	1.55	**0.58**

IV Actuarial assumptions

The principal assumptions used in determining gratuity benefit obligation for the Group's plan is shown below:

Particulars	March 31, 2022	March 31, 2021
Actuarial assumptions taken for domestic entities:		
Discount rate	7.31%	6.86%
Salary escalation	7.00%	7.00%
Employee turnover	Service < 5 : 14% Service>=5 : 2%	Service < 5 : 14% Service>=5 : 2%
Mortality tables	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)
Weighted average duration of the projected benefit obligation	18 years	17 years

The principal assumptions used in determining terminal benefit obligation for the Group's plan is shown below:

Particulars	March 31, 2022	March 31, 2021
Actuarial assumptions taken for overseas entities:		
Discount rate	3.20%	3.30%
Salary escalation	5.00%	5.00%
Employee Turnover		
20 - 30 years age	2% to 3.60%	1.00%
31 - 49 years age	2% to 3.60%	1.00%
Mortality tables	AM-92	AM-92
Weighted average duration of the projected benefit obligation	15-17 years	17 years

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality are based on published Statistics and Mortality tables. The calculation of death benefit obligation is sensitive to the mortality assumptions.

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V Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

	March 31, 2022		March 31, 2021	
For the Company and its subsidaries in India:				
Discount rate (100 basis point movement)	(1.25)	1.53	(1.34)	1.66
Salary escalation rate (100 basis point movement)	1.10	(0.99)	1.20	(1.07)
Employee turnover (100 basis point movement)	0.16	(0.20)	0.10	(0.12)

	March 31, 2022		March 31, 2021	
For overseas subsidaries:				
Discount rate (100 basis point movement)	(0.65)	0.80	(0.75)	0.82
Salary escalation rate (100 basis point movement)	0.78	(0.65)	0.90	(0.75)
Employee turnover (100 basis point movement)	(0.12)	0.13	(0.16)	0.18

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The Group's liability on account of gratuity and terminal benefit is not funded and hence the disclosures relating to the planned assets are not applicable.

VI Maturity profile of defined benefit obligation (Gratuity and terminal benefits)

Particulars	March 31, 2022	March 31, 2021
Within next 12 months	0.35	0.32
Between 1 and 5 years	2.31	1.79
Above 5 years	41.40	35.99

Compensated absences

Compensated absences for employee benefits of ₹ 5.92 crore for the year ended March 31, 2022 (March 31, 2021: ₹ 6.28 crore) expected to be paid in exchange for the services is recognised as an expense during the year.

45 Share based payments

On March 27, 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on May 30, 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective July 15, 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e. July 15, 2021.

Particulars	March 31, 2022
Options granted and outstanding at the beginning of the year	-
Options granted during the year	1,301,213
Options exercised during the year	-
Options granted and outstanding at the end of the year	1,301,213

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During the year ended, the Group has debited to the Statement of Profit and Loss ₹ 3.71 crore (March 31, 2021: Nil) towards the stock options granted to their employees, pursuant to the Scheme.

The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Particulars	March 31, 2022
Risk-free interest rate	5.14% - 6.11%
Expected life of options	4 years
Expected volatility	30% - 35%
Expected dividend over the life of the options	4.50%
Weighted average share price	297.65
Weighted average exercise price	238.00
Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life option

46 Loans and Investments

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

A. Investments in government securities and mutual funds (unquoted)

Particulars	As at April 1, 2020	Investment during the year	Redemption during the year	Foreign exchange/ adjustment during the year	As at March 31, 2022
Treasury bills	-	-	-	-	-
Investment in mutual fund	-	-	-	-	-

Particulars	As at April 1, 2020	Investment during the year	Redemption during the year	Foreign exchange/ adjustment during the year	As at March 31, 2021
Treasury bills	0.19	-	0.19	-	-
Investment in mutual fund	0.27	-	0.27	-	-

B. Details of loans given by the Indian entities of the Group are as follows:

Name of the entity	As at April 1, 2021	Converted to loan	Loan given during the year (refer note 50)	Loan repaid during the year (refer note 50)	Foreign exchange/ adjustment during the year	As at March 31, 2022
Sterling and Wilson Private Limited (refer note 1 below) (net)	397.55	-	-	397.55	-	-

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Name of the entity	As at April 1, 2020	Converted to loan	Loan given during the year (refer note 50)	Loan repaid during the year (refer note 50)	Foreign exchange/ adjustment during the year	As at March 31, 2021
Sterling and Wilson Private Limited (refer note 1 below)	576.06	-	-	(178.51)	-	397.55

Note 1: Sterling and Wilson Private Limited

	March 31, 2022	March 31, 2021
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	September 30, 2021	September 30, 2021
Rate of Interest	13.88% to 14.66% p.a	10.50% to 15.55% p.a.

47 Corporate Social Responsibility

The Group has consituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and schedule VII of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

The funds are utilised during the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards various activities.

The details set below are for the amount spent by the Group. The Holding Company qualifies for CSR contribution, based on threshold prescribed in the Act.

Particulars		March 31, 2022		
		In cash	Yet to be paid in cash	Total
A.	Gross amount required to be spent by the Group during the year			4.01
B.	Amount spent during the year ended March 31, 2022			
	i) Community development in Methi village	0.10	-	0.10
	ii) Rural area development	0.13	-	0.13
	iii) Contribution to female cancer home	0.15	-	0.15
	iv) Contribution towards school empowerment program	0.09	-	0.09
	v) Contribution for project undertaken for Training-Cum-Employment of disabled persons	0.08	-	0.08
	vi) Community water harvesting in drought prone regions	0.10	-	0.10
	vii) Other donations and contributions	0.17	-	0.17
		0.82	**-**	**0.82**
C.	Related party transactions in relation to Corporate Social Responsibility			Nil
D.	Provision movement during the year			
	Opening balance as at April 1, 2021			4.56
	Addition during the year			3.19
	Utilised during the year			2.99
	Closing balance as at March 31, 2022			4.76

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E. Unspent amount

Particulars	Opening balance	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
FY 2020-21	4.56	4.56	4.56	2.99	1.57
FY 2021-22	-	-	4.01	0.82	3.19
	4.56	**4.56**	**8.57**	**3.81**	**4.76**

Particulars		March 31, 2021		
		In cash	Yet to be paid in cash	Total
A.	Gross amount required to be spent by the Group during the year			6.66
B.	Amount spent during the year ended March 31, 2021			
i)	Renovation of Toilets & sanitation for Dombivali Mentally retarded School	0.13	-	0.13
ii)	Education and Scholarship Program	0.60	-	0.60
iii)	PM Care Fund	0.15	-	0.15
iv)	Contribution for providing financial support to critical patient	0.23	-	0.23
v)	Contribution for construction of boundry wall for School	0.27	-	0.27
vi)	Community initiatives for the rural and tribal population to implement the water lifting and Lift Irrigation.	0.18	-	0.18
vii)	Other donations and contributions	0.54	-	0.54
		2.10	**-**	**2.10**
C.	Related party transactions in relation to Corporate Social Responsibility			Nil
D.	Provision movement during the year			
	Opening balance as at April 1, 2020			-
	Addition during the year			4.56
	Utilised during the year			-
	Closing balance as at March 31, 2021			4.56

E. Unspent amount

Particulars	Opening balance	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
	-	-	6.66	2.10	4.56
	-	**-**	**6.66**	**2.10**	**4.56**

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48 Disclosure under Ind AS 115, Revenue from Contracts with Customers

A) The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc. There is no impact on the Group's revenue on applying Ind AS 115 from the contracts with customers.

B) Disaggreagtion of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical area and the type of contract of revenue recognition. Disaggregated revenue with the Group's reportable segments is given in the note 51.

C) Reconciliation of contract assets and liabilities

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract assets*		
Unbilled receivables		
Contract assets at the beginning of the year	681.48	501.39
Less: Billing during the year	4,770.25	4,625.96
Add Revenue recognised during the year	4,872.24	4,806.05
Contract assets as at end of the year	**783.47**	**681.48**
Contract liabilities**		
Advance from customers		
Contract liabilities at the beginning of the year	325.14	242.19
Add: Addition during the year	424.69	325.14
Less: Applied during the year	325.14	242.19
Contract liabilities as at end of the year	**424.69**	**325.14**

*The contract assets primarily relate to the Group's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected within 30-60 days from the date of invoicing.

**The contract liabilities primarily relates to the advances from customer towards on-going EPC projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

D) Reconciliation of revenue as per Ind AS 115

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from works contracts	5,023.79	4,778.48
Adjustment on account of:		
Less: Liquidated damages provided during the year	(49.33)	(43.98)
Total	**4,974.46**	**4,734.50**
Revenue from operation and maintenance services	222.81	247.58
Adjustment on account of:		
Add: Recognition of revenue towards free operation and maintenance period	0.11	4.49
Total	**222.92**	**252.07**

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Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from Design and Engineering services	-	61.67
Add: Adjustments during the year	-	-
Total	**-**	**61.67**
Other operating income	1.56	32.56
Add: Adjustments during the year	-	-
Total	**1.56**	**32.56**

E) Performance obligation

The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

The Group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Group provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Group enters into multiple contracts with the same customer, the Group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Group recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognizes the entire estimated loss in the period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis. There is no revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at March 31, 2022 and March 31, 2021, except as disclosed below:

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied):

March 31, 2022	0-2 years	Total
Income from works contracts	1,012.75	1,012.75
	1,012.75	**1,012.75**

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March 31, 2021	0-2 years	Total
Income from works contracts	2,305.63	2,305.63
	2,305.63	**2,305.63**

F) **Practical expedients:**

Applying the practical expedient in paragraph 63 of Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the year between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for EPC contracts that have original expected duration of one year or less.

49 Disclosure under Ind AS 116, Leases

A) Right-of-use assets

Particulars	Land and Buildings *	
	March 31, 2022	March 31, 2021
Cost		
Balance as at the beginning of the year	16.80	15.22
Add: Additions during the year	3.08	4.27
Less: Disposals during the year	(3.55)	(2.56)
Add: Exchange differences on translation of foreign operations	(0.03)	(0.13)
Balance as at the end of the year	**16.30**	**16.80**
Accumulated depreciation and impairment		
Balance as at the beginning of the year	7.13	4.90
Add: Depreciation for the year	3.46	4.85
Less: Disposals during the year	(3.55)	(2.56)
Add: Exchange differences on translation of foreign operations	(0.18)	(0.06)
Balance as at the end of the year	**6.86**	**7.13**
Carrying amounts		
Balance as at April 1, 2021	9.67	10.32
Balance as at March 31, 2022	9.44	9.67

*Carrying amount of Right-of-use assets at the end of the reporting period is towards property taken on lease for office premises, the underlying leasehold improvements is presented in note 5 under "Property, plant and equipment and capital work-in-progress".

B) Breakdown of lease expenses

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Short-term lease expense	54.53	56.10
Total lease expense	**54.53**	**56.10**

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(Currency: Indian rupees in crore)

C) Cash outflow on leases

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Repayment of lease liabilities (including Interest on lease liabilities)	3.67	4.75
Short-term lease expense	54.53	56.10
Total cash outflow on leases	**58.20**	**60.85**

D) Maturity analysis of lease liabilities

	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Total	Weighted average effective interest rate %
March 31, 2022						
Lease liabilities						
- Indian entities	0.51	0.67	2.81	2.08	6.07	11.00%
- Overseas entities	2.69	1.62	0.77	-	5.08	6.00%
Total	**3.20**	**2.29**	**3.58**	**2.08**	**11.15**	
March 31, 2021						
Lease liabilities						
- Indian entities	0.40	0.51	2.34	3.23	6.48	11.00%
- Overseas entities	1.17	1.10	1.93	-	4.20	6.00%
Total	**1.57**	**1.61**	**4.27**	**3.23**	**10.68**	

50 Related Party Disclosures

A Related parties and their relationship

	Category of related parties	
1)	**Holding company (upto 29 December 2021)**	Shapoorji Pallonji and Company Private Limited
2)	**Fellow subsidiaries (with which the Company has transaction and or balances) *(Refer footnote below Part B)**	SP Energy (Egypt) S.A.E.
		Shapoorji Pallonji Infrastructure Capital Co Private Limited
		Shapoorji Pallonji Middle East LLC
		Sterling Generators Private Limited (formerly known as Sterling and Wilson Powergen Private Limited)
		Sterling Generators Private Limited (merger with Sterling and Wilson Powergen Private Limited w.e.f. April 1, 2019)
		Shapoorji Pallonji Solar Holdings Private Limited
		Forbes & Company Ltd.
		Sterling and Wilson Private Limited
		Forvol International Services Limited
		Sterling and Wilson Powergen Private Limited
		Sterling and Wilson Powergen FZE

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

A Related parties and their relationship

	Category of related parties	
		Sterling and Wilson Power Solutions LLC
		Sterling and Wilson Cogen Solutions Private Limited
		Sterling Viking Power Private Limited
		Rihand Floating Solar Private Limited
		Surajkiran Solar Technologies Private Limited (w.e.f August 5, 2020 upto March 25, 2021)
		Sterling and Wilson Middle East Electro Mechanical L.L.C
		Gco Australia Pty Ltd
		Sterling and Wilson International FZE
3)	**Key Management Personnel**	Mr. Khurshed Y Daruvala, Chairman
		Mr. Pallon Shapoor Mistry, Non-Executive Director
		Mr. Bikesh Ogra, Non-Executive Director
		Mr. Bahadur Dastoor, Chief Financial Officer (CFO)
		Mr. Jagannadha Rao Ch. V., Company Secretary
		Mr. K. Kannan, Manager (upto August 31, 2020)
		Mr. Chandra Thakur, Manager (w.e.f September 1, 2020)

B Transactions and balances with related parties

Related party disclosures for the year ended March 31, 2022

Sr. No.	Nature of transaction	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts	32.68	12.52	-	45.20
II	Revenue from Operation and maintenance aervices	-	4.98	-	4.98
III	Purchase of services	-	17.77	-	17.77
IV	Purchases of construction material	-	0.26	-	0.26
V	Advance received from customers	-	0.23	-	0.23
VI	Management support fees	2.39	-	-	2.39
VII	Interest income	-	38.25	-	38.25
VIII	Remuneration and sitting fees paid	-	-	15.90	15.90
IX	Other expense	0.52	-	-	0.52
X	Expenses recovered	4.08	0.53	-	4.61
XI	Reimbursement of expenses and others	-	4.24	-	4.24
XII	Inter-corporate deposits/ Loan repaid	-	885.25	-	885.25
XIII	Advance from customer	-	0.23	-	0.23
XIV	Trade Receivables	61.49	151.30	-	212.79
XV	Trade payable	7.92	0.45	0.02	8.39
XVI	Other receivables	4.08	28.27	-	32.35
XVII	Other Payables	-	5.27	-	5.27
XVIII	Remuneration payable	-	-	0.22	0.22
XIX	Unbilled receivables	0.97	0.04	-	1.01
XX	Interest payable	1.86	-	-	1.86

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts				
	Shapoorji Pallonji and Company Private Limited	32.68	-	-	32.68
	Shapoorji Pallonji Solar Holdings Private Limited	-	1.64	-	1.64
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	(1.93)	-	(1.93)
	Sterling Generators Private Limited	-	0.13	-	0.13
	Sterling and Wilson Private Limited	-	12.68	-	12.68
II	Revenue from Operation and maintenance services				
	SP Energy (Egypt) S.A.E.	-	4.60	-	4.60
	Forbes and Company Limited	-	0.04	-	0.04
	Sterling and Wilson Private Limited	-	0.34	-	0.34
III	Purchases of services				
	Sterling and Wilson Private Limited	-	17.58	-	17.58
	Forvol International Services Limited	-	0.19	-	0.19
IV	Purchases of construction material				
	Sterling and Wilson Private Limited	-	0.18	-	0.18
	Sterling Generators Private Limited	-	0.08	-	0.08
V	Advance received from customers				
	SP Energy (Egypt) S.A.E.		0.23	-	0.23
VI	Management support fees				
	Shapoorji Pallonji and Company Private Limited	2.39	-	-	2.39
VII	Interest income				
	Sterling and Wilson Private Limited	-	17.36	-	17.36
	Sterling and Wilson International FZE	-	20.89	-	20.89
VIII	Remuneration and sitting fees paid				
	Mr. Khurshed Y Daruvala, Chairman				
	- Remuneration	-	-	4.08	4.08
	- Sitting fees	-	-	0.17	0.17
	Mr. Pallon Shapoor Mistry, Non-Executive Director				
	- Sitting fees	-	-	0.07	0.07
	Mr. Bikesh Ogra, Non Executive Director				
	- Remuneration	-	-	4.71	4.71
	- Sitting fees	-	-	0.09	0.09
	Mr. Bahadur Dastoor, CFO				
	- Remuneration	-	-	2.77	2.77
	- Post-employment benefits**	-	-	0.03	0.03

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Mr. Jagannadha Rao Ch.V., Company Secretary				
	- Remuneration	-	-	1.60	1.60
	- Post-employment benefits**	-	-	0.08	0.08
	Mr. Chandra Thakur, Manager				
	- Remuneration	-	-	2.13	2.13
	- Post-employment benefits**	-	-	0.18	0.18
IX	Other expense				
	Shapoorji Pallonji and Company Private Limited	0.52	-	-	0.52
X	Expenses recovered				
	Sterling and Wilson Private Limited	-	0.13	-	0.13
	Shapoorji Pallonji and Company Private Limited	4.08	-	-	4.08
	Sterling and Wilson Cogen Solutions Private Limited	-	0.05	-	0.05
	Sterling and Wilson Australia Pty Ltd.	-	0.01	-	0.01
	GCO Australia Pty Ltd.	-	0.25	-	0.25
	Sterling and Wilson International FZE	-	0.11	-	0.11
XI	Reimbursement of expenses and others				
	Sterling and Wilson Private Limited	-	4.04	-	4.04
	Sterling and Wilson International FZE	-	0.14	-	0.14
	Gco Australia Pty Ltd	-	0.06	-	0.06
XII	Inter-corporate deposits/ Loan repaid				
	Sterling and Wilson International FZE	-	487.70	-	487.70
	Sterling and Wilson Private Limited	-	397.55	-	397.55
XIII	Advance from customer				
	SP Energy (Egypt) S.A.E.	-	0.23	-	0.23
XIV	Trade receivables				
	Shapoorji Pallonji and Company Private Limited	61.49	-	-	61.49
	SP Energy (Egypt) S.A.E.	-	1.55	-	1.55
	Shapoorji Pallonji Middle East LLC	-	0.85	-	0.85
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	118.58	-	118.58
	Shapoorji Pallonji Solar Holdings Private Limited	-	12.31	-	12.31
	Sterling Generators Private Limited	-	0.47	-	0.47
	GCO Australia Pty Ltd	-	3.43	-	3.43
	Sterling and Wilson Private Limited	-	14.10	-	14.10
XV	Trade payable				
	Shapoorji Pallonji and Company Private Limited	7.92	-	-	7.92
	Forvol International Services Limited	-	0.00	-	0.00
	Sterling Viking Power Private Limited	-	-	0.02	0.02
	Sterling Generators Private Limited	-	0.45	-	0.45

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XVI	Other receivables				
	Sterling and Wilson Private Limited	-	10.05	-	10.05
	Shapoorji Pallonji and Company Private Limited	4.08	-	-	4.08
	Sterling and Wilson Cogen Solutions Private Limited	-	0.01	-	0.01
	Sterling and Wilson International FZE	-	18.21	-	18.21
XVII	Other payables				
	Sterling and Wilson Private Limited	-	3.99	-	3.99
	Sterling and Wilson Middle East Electro Mechanical L.L.C	-	1.28	-	1.28
XVIII	Remuneration payable				
	Mr. Bahadur Dastoor, CFO	-	-	0.10	0.10
	Mr. Jagannadha Rao Ch.V., Company Secretary	-	-	0.04	0.04
	Mr. Chandra Thakur, Manager	-	-	0.08	0.08
XIX	Unbilled receivables				
	Shapoorji Pallonji and Company Private Limited	0.97	-	-	0.97
	Forbes & Company Ltd.	-	0.01	-	0.01
	Sterling and Wilson Private Limited	-	0.03	-	0.03
XX	Interest payable				
	Shapoorji Pallonji and Company Private Limited	1.86	-	-	1.86

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

*Effective 30 December 2021 the Company ceased to be a subsidiary of Shapoorji Pallonji and Company Private Limited (Refer note 21 (C). Consequently the Subsidiaries of SPCPL which were classified as Fellow Subsidiaries of the Company prior to 30 December 2021 will be classified as Associates post that date.

**Post-employment benefits includes gratuity and leave encashment.

Related party disclosures for the year ended March 31, 2021

Sr. No.	Nature of transaction	Holding company	Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts	53.38	19.55	-	72.93
II	Revenue from Operation and maintenance aervices	-	6.58	-	6.58
III	Income from Design and Engineering services	56.20	-	-	56.20
IV	Purchase of services	-	26.61	-	26.61
V	Purchases of construction material	-	5.74	0.01	5.75
VI	Management support fees	11.41	-	-	11.41
VII	Interest income	-	124.53	-	124.53
VIII	Remuneration and sitting fees paid	-	-	8.33	8.33

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
IX	Other expense	0.51	-	-	0.51
X	Expenses recovered	-	19.25	-	19.25
XI	Purchase of Intangible assets	-	6.20	-	6.20
XII	Sale of assets	-	0.02	-	0.02
XIII	Reimbursement of expenses and others	-	10.69	-	10.69
XIV	Inter-corporate deposits/ Loan repaid	-	218.52	-	218.52
XV	Transfer of trade receivable balances	45.50	-	-	45.50
XVI	Trade Receivables	86.72	134.15	-	220.88
XVII	Trade payable	7.41	25.70	0.02	33.14
XVIII	Other receivables	-	17.69	-	17.69
XIX	Other Payables	-	5.26	0.07	5.33
XX	Remuneration payable	-	0.04	0.22	0.26
XXI	Unbilled receivables	0.53	5.88	-	6.41
XXII	Interest payable	1.86	-	-	1.86
XXIII	Inter-corporate deposits / Loan receivable	-	885.25	-	885.25

Sr. No.	Nature of transaction	Holding company	Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	Income from works contracts				
	Shapoorji Pallonji and Company Private Limited	53.38	-	-	53.38
	Shapoorji Pallonji Solar Holdings Private Limited	-	7.03	-	7.03
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	12.06	-	12.06
	Rihand Floating Solar Private Limited	-	0.30	-	0.30
	Sterling Generators Private Limited	-	0.10	-	0.10
	Forbes and Company Limited	-	0.03	-	0.03
	Sterling and Wilson Private Limited	-	0.05	-	0.05
II	Revenue from Operation and maintenance services				
	Shapoorji Pallonji Energy Egypt S.A.E	-	4.86	-	4.86
	Surajkiran Solar Technologies Private Limited	-	1.45	-	1.45
	Sterling and Wilson Private Limited	-	0.27	-	0.27
III	Income from Design and Engineering services				
	Shapoorji Pallonji and Company Private Limited	56.20	-	-	56.20
IV	Purchases of services				
	Sterling and Wilson Private Limited	-	26.41	-	26.41
	Forvol International Services Limited	-	0.20	-	0.20

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
V	Purchases of construction material				
	Sterling Viking Power Private Limited	-	-	0.01	0.01
	Sterling Generators Private Limited	-	5.74	-	5.74
VI	Management support fees				
	Shapoorji Pallonji and Company Private Limited	11.41	-	-	11.41
VII	Interest income				
	Sterling and Wilson Private Limited	-	73.70	-	73.70
	Sterling and Wilson International FZE	-	50.83	-	50.83
VIII	Remuneration and sitting fees paid				
	Mr. Khurshed Y Daruvala, Chairman	-	-	0.66	0.66
	Mr. Pallon Shapoor Mistry, Non-Executive Director	-	-	0.05	0.05
	Mr. Bikesh Ogra, Non Executive Director	-	-	2.88	2.88
	Mr. Bahadur Dastoor, CFO				
	- Short-term employee benefits	-	-	2.18	2.18
	- Post-employment benefits	-	-	0.00	0.00
	- Other long-term benefits	-	-	0.04	0.04
	Mr. Jagannadha Rao Ch.V., Company Secretary				
	- Short-term employee benefits	-	-	1.03	1.03
	- Post-employment benefits	-	-	0.03	0.03
	- Other long-term benefits	-	-	0.11	0.11
	Mr. K. Kannan, Manager				
	- Short-term employee benefits	-	-	0.38	0.38
	- Post-employment benefits	-	-	0.02	0.02
	- Other long-term benefits	-	-	-	-
	Mr. Chandra Thakur, Manager				
	- Short-term employee benefits	-	-	0.85	0.85
	- Post-employment benefits	-	-	0.02	0.02
	- Other long-term benefits	-	-	0.08	0.08
IX	Other expense				
	Shapoorji Pallonji and Company Private Limited	0.51	-	-	0.51
X	Expenses recovered				
	Sterling and Wilson Private Limited	-	1.78	-	1.78
	GCO Australia Pty Ltd	-	1.70	-	1.70
	Sterling and Wilson International FZE	-	15.77	-	15.77
XI	Purchase of Intangible assets				
	Sterling and Wilson Private Limited	-	6.20	-	6.20

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XII	Sale of assets				
	GCO Australia Pty Ltd	-	0.02	-	0.02
XIII	Reimbursement of expenses and others				
	Sterling and Wilson Private Limited	-	7.63	-	7.63
	Sterling and Wilson International FZE	-	0.21	-	0.21
	Sterling and Wilson Middle East Electro Mechenical LLC	-	1.10	-	1.10
	Gco Australia Pty Ltd	-	1.74	-	1.74
XIV	Inter-corporate deposits/ Loan repaid				
	Sterling and Wilson International FZE	-	40.01	-	40.01
	Sterling and Wilson Private Limited	-	178.51	-	178.51
XV	Transfer of trade receivable balances				
	Shapoorji Pallonji and Company Private Limited	45.50	-	-	45.50
XVI	Trade receivables				
	Shapoorji Pallonji and Company Private Limited	86.72	-	-	86.72
	Shapoorji Pallonji Energy Egypt S.A.E	-	3.33	-	3.33
	Shapoorji Pallonji Middle East LLC	-	0.85	-	0.85
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	114.82	-	114.82
	Shapoorji Pallonji Solar Holdings Private Limited	-	7.99	-	7.99
	Forbes and Company Limited	-	0.05	-	0.05
	Sterling Generators Private Limited	-	1.58	-	1.58
	GCO Australia Pty Ltd	-	3.32	-	3.32
	Sterling and Wilson Private Limited	-	2.21	-	2.21
XVII	Trade payable				
	Shapoorji Pallonji and Company Private Limited	7.41	-	-	7.41
	Forvol International Services Limited	-	0.20	-	0.20
	Sterling and Wilson Private Limited	-	19.55	-	19.55
	Sterling Viking Power Private Limited	-	-	0.02	0.02
	Sterling Generators Private Limited	-	5.95	-	5.95
XVIII	Other receivables				
	Sterling and Wilson International FZE	-	17.69	-	17.69
XIX	Other payables				
	Sterling and Wilson Private Limited	-	3.93	-	3.93
	Sterling and Wilson Middle East Electro Mechanical L.L.C	-	1.30	-	1.30
	Mr. Khurshed Y Daruvala, Chairman	-	-	0.04	0.04
	Mr. Pallon Shapoor Mistry, Non-Executive Director	-	-	0.02	0.02
	Mr. Bikesh Ogra, Non Executive Director	-	-	0.01	0.01
	Sterling and Wilson Cogen Solutions Private Limited	-	0.04	-	0.04

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding company	Fellow subsidiaries	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XX	Remuneration payable				
	Mr. Bahadur Dastoor, CFO	-	-	0.11	0.11
	Mr. Jagannadha Rao Ch.V., Company Secretary	-	-	0.03	0.03
	Mr. Chandra Thakur, Manager	-	-	0.08	0.08
XXI	Unbilled receivables				
	Shapoorji Pallonji and Company Private Limited	0.53	-	-	0.53
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	3.66	-	3.66
	Shapoorji Pallonji Solar Holdings Private Limited	-	1.92	-	1.92
	Forbes & Company Ltd.	-	0.01	-	0.01
	Rihand Floating Solar Private Limited	-	0.15	-	0.15
	Sterling and Wilson Private Limited	-	0.15	-	0.15
XXII	Interest payable				
	Shapoorji Pallonji and Company Private Limited	1.86	-	-	1.86
XXIII	Inter-corporate deposits / Loan receivable*				
	Sterling and Wilson Private Limited	-	397.55	-	397.55
	Sterling and Wilson International FZE	-	487.70	-	487.70

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

51 Segment Reporting

A. Basis for segmentation

The Group is primarily engaged in the business of complete Turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Renewable Energy Power projects. The Holding Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on financial information for EPC business and Operation and maintenance service. Accordingly, the Group has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:

- Engineering, Procurement and Construction (EPC) business; and
- Operation and maintenance service.

B. Business Segment

The Group's revenues and assets represents company's businesses viz. EPC and Operation and maintenance service. Accordingly, Revenue and expenses have been identified to a segment on the basis of direct relationship to operating activities of the segment. Expenditure which are not directly identifiable but has a relationship to the operating activities of the segment are allocated on a reasonable basis.

Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other common assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Information about reportable segments

March 31, 2022

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	4,974.46	222.92	1.56	5,198.94
Total revenue	**4,974.46**	**222.92**	**1.56**	**5,198.94**
Segment Results	(584.75)	55.45	1.56	(527.74)
Unallocable Expense				
Finance costs	-	-	76.71	76.71
Depreciation and amortisation expense	-	-	14.67	14.67
Employee benefits and other expenses	-	-	376.86	376.86
Total unallocated expenses	**-**	**-**	**468.24**	**468.24**
Unallocable Income				
Interest income	-	-	40.25	40.25
Other income	-	-	45.57	45.57
Total unallocated income	**-**	**-**	**85.82**	**85.82**
Consolidated (loss) / profit before tax	(584.75)	55.45	(380.86)	(910.16)
Tax expense	-	-	5.60	5.60
Consolidated (loss) after tax	**(584.75)**	**55.45**	**(386.46)**	**(915.76)**
Other information				
Segment assets	2,379.11	117.98	1,002.90	3,499.99
Segment liabilities	1,982.14	38.83	573.19	2,594.16
Capital Expenditure	-	-	13.23	13.23
Depreciation and amortisation expense	-	-	14.67	14.67

March 31, 2021

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	4,825.75	252.07	2.98	5,080.80
Total revenue	**4,825.75**	**252.07**	**2.98**	**5,080.80**
Segment Results	(81.52)	99.79	(1.31)	16.96
Unallocable Expense				
Finance costs	-	-	93.09	93.09
Depreciation	-	-	16.51	16.51
Employee benefits and other expenses	-	-	385.31	385.31
Total unallocated expenses	**-**	**-**	**494.91**	**494.91**
Unallocable Income				
Interest income	-	-	130.34	130.34
Other income	-	-	7.57	7.57
Total unallocated income	**-**	**-**	**137.91**	**137.91**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Profit before tax	(81.52)	99.79	(358.31)	(340.04)
Tax expense/ (credit)			(50.00)	(50.00)
Profit after tax	**(81.52)**	**99.79**	**(308.31)**	**(290.04)**
Other information				
Segment assets	1,887.96	150.39	1,671.02	3,709.37
Segement liabilities	2,358.01	53.84	639.74	3,051.59
Capital Expenditure	-	-	16.45	16.45
Depreciation and amortisation	-	-	16.51	16.51

C. Geographical information

The geographic information analyses the Group's revenues and non-current assets by the Group's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

a) Revenue from external customers

March 31, 2022

Particulars	Solar EPC business	Operation and maintenance service	Unallocated
India	433.73	116.75	1.55
South East Asia	-	8.91	-
Middle East and North Africa	31.65	69.05	0.01
Rest of Africa	54.61	24.63	-
United States of America and Latin America	1,551.47	3.58	-
Australia	2,903.00	-	-
	4,974.46	**222.92**	**1.56**

March 31, 2021

Particulars	Solar EPC business	Operation and maintenance service	Unallocated
India	1,075.01	131.42	2.96
South East Asia	5.40	11.24	-
Middle East and North Africa	469.50	80.07	0.02
Rest of Africa	76.17	22.78	-
United States of America and Latin America	1,039.68	6.56	-
Australia	2,159.99	-	-
	4,825.75	**252.07**	**2.98**

Business in India, the Group's country of domicile, represented approximately 10.62% during the year ended March 31, 2022 (March 31, 2021: 23.79%) of its consolidated net revenues.

Notes to the Consolidated Financial Statements

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(Currency: Indian rupees in crore)

The Group's business in Australia and United States of America represented 55.84% and 21.21% of its consolidated net revenues during the year ended March 31, 2022 (March 31, 2021: Australia and Chile represented 42.52% and 16.78% respectively). No other country individually comprised 10% or more of the Group's consolidated net revenues during these periods.

b) Non-current assets (other than financial instruments and deferred tax assets)

Particulars	March 31, 2022	March 31, 2021
India	62.31	66.07
South-east Asia	0.10	0.20
Middle East and North Africa	4.63	19.40
Rest of Africa	2.36	2.03
United States of America and Latin America	4.47	5.74
Australia	13.29	1.88
Europe	0.13	0.15
	87.29	**95.47**

The following countries hold 10% or more of the Group's consolidated Non-current assets (other than financial instruments and deferred tax assets):

Particulars	March 31, 2022	March 31, 2021
Australia	15.22%	1.97%
United Arab Emirates	2.17%	20.33%

c) Information about major customers

Revenue from three customers of the Group is ₹ 3,110.05 crore (March 31, 2021: One customer ₹ 1,415.17 crore) which is more than 10% of the Group's total revenue.

52 Financial Instruments – Fair values and Risk Management

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It dose not include fair value information for financial assets and financial liabilities not measured at fair value, if carrying amount is a reasonable approximation of fair value.

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non-current								
(i) Other financial assets	-	-	4.77	4.77	-	-	-	-
Current								
(ii) Trade receivables	-	-	783.96	783.96	-	-	-	-
(iii) Cash and cash equivalents	-	-	457.51	457.51	-	-	-	-
(iv) Bank balances other than cash and cash equivalents	-	-	46.53	46.53	-	-	-	-
(v) Loans	-	-	1.14	1.14	-	-	-	-
(vi) Other financial assets	-	-	761.10	761.10	-	-	-	-
Total	**-**	**-**	**2,055.01**	**2,055.01**	**-**	**-**	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial liabilities								
Non Current								
(i) Borrowings	-	-	0.00	0.00	-	0.00	-	0.00
(ii) Lease liabilities	-	-	7.95	7.95	-	-	7.95	7.95
Current								
(i) Borrowings	-	-	435.06	435.06	-	-	-	-
(ii) Lease liabilities	-	-	3.20	3.20	-	-	3.20	3.20
(iii) Trade payables	-	-	1,402.82	1,402.82	-	-	-	-
(iv) Derivatives	20.37	-	-	20.37	-	20.37	-	20.37
(v) Other financial liabilities	-	-	34.84	34.84	-	-	-	-
Total	**20.37**	**-**	**1,883.87**	**1,904.24**	**-**	**20.37**	**11.14**	**31.51**

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non-current								
(i) Other financial assets			5.94	5.94				
Current								
(i) Investments	-	-	-	-	-	-	-	-
(ii) Trade receivables	-	-	848.86	848.86	-	-	-	-
(iii) Cash and cash equivalents	-	-	219.82	219.82	-	-	-	-
(iv) Bank balances other than cash and cash equivalents	-	-	71.13	71.13	-	-	-	-
(v) Loans	-	-	885.99	885.99	-	-	-	-
(vi) Other financial assets	-	-	226.47	226.47	-	-	-	-
(vii) Derivatives	1.92	-	-	1.92	-	1.92	-	1.92
Total	**1.92**	**-**	**2,258.22**	**2,260.13**	**-**	**1.92**	**-**	**1.92**
Financial liabilities								
Non Current							-	
(i) Borrowings	-	-	0.00	0.00	-	0.00	-	0.00
(ii) Lease liabilities			9.11	9.11	-	-	9.11	9.11
Current								
(i) Borrowings	-	-	468.35	468.35	-	40.00	-	40.00
(ii) Lease liabilities			1.57	1.57	-	-	1.57	1.57
(iii) Trade payables	-	-	1,856.73	1,856.73	-	-	-	-
(iv) Other financial liabilities	-	-	68.08	68.08	-	-	-	-
(v) Derivatives	98.68	-	-	98.68	-	98.68	-	98.68
Total	**98.68**	**-**	**2,403.84**	**2,502.52**	**-**	**138.68**	**10.69**	**149.36**

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(Currency: Indian rupees in crore)

(b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non current and current financial assets and liabilities measured at amortised cost	Discounted cash flow approach: The valuation model considers the present value of expected receipts/ payments, discounted using a risk adjusted discount rate.	Not applicable	Not applicable
Investments in mutual Funds	The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.	Not applicable	Not applicable
Non-current investments in unquoted instruments accounted for as fair value through profit and loss	Discounted cash flow approach: The valuation model considers the present value of expected receipts, discounted using a risk adjusted discount rate.	Average cost of borrowings	Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.
Forward contracts for foreign exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting year.

Sensitivity Analysis for level 3

The sensitivity analysis below have been determined based on reasonably possible changes of the discounting rate occurring at the end of the reporting year, while holding all other assumptions constant.

	Discounting rate	March 31, 2022	March 31, 2021
Lease liabilities - Discount rate + 100 basis points	Indian entities - 11.00%	(0.36)	0.01
Lease liabilities - Discount rate - 100 basis points*	Foreign entities - 4.00% - 6.00%	0.39	(0.00)

* Amount is less than ₹ 0.01 crore

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(Currency: Indian rupees in crore)

(c) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

i) Credit risk;

ii) Liquidity risk; and

iii) Market risk

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee of the Holding Company oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors of the Group.

Off-setting of financial assets, financial liabilities and Provisions

The following table represent the recognised financials instruments that are off-set or are subject to enforceable master netting arrangement.

March 31, 2021	Effects of offsetting on the balance sheet		
	Gross Amount	Gross amount set-off in the balance sheet	Net amounts presented in the balance sheet
Financial assets			
Trade receivables	905.60	(56.74)	848.86
Financial liabilities and Provisions			
Trade Payable	6,322.73	(44.66)	6,278.07
Provision for waranty	12.46	(12.07)	0.39
	6,335.19	**(56.73)**	**6,278.46**

i. ***Credit risk***

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment in debt securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowances for doubtful debts and impairments that represents its estimates of incurred losses in respect of trade and other receivable and investment.

Net trade receivable as on March 31, 2022 is ₹ 783.96 crore (March 31, 2021: ₹ 850.77 crore).

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Three largest customers have a total concentration of 38.49% (31 March 2021: Two largest customer has a total concentration of 25.36%) of total trade receivables.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables and other receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Amount
Balance as at April 1, 2021	51.27
Add: Impairment losses recognised during the year	6.66
Less: foreign exchange adjustments	0.59
Less: Provision written back	(16.69)
Balance as at March 31, 2022	**41.83**
Balance as at April 1, 2020	21.70
Add: Impairment losses recognised during the year	29.77
Less: foreign exchange adjustments	(0.20)
Less: Provision written back	-
Balance as at March 31, 2021	**51.27**

Cash and bank balances

The Group held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of ₹ 508.03 crore and ₹ 290.95 crore as at March 31, 2022 and March 31, 2021 respectively. The credit worthiness of the such bank and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Inter-Corporate Deposits/ Loans to fellow subsidiaries

The Group has given unsecured Inter-corporate deposits /loans to its fellow subsidiaries for meeting its working capital requirements. The Group does not perceive any credit risk pertaining to inter-corporate deposits/ loans provided to fellow subsidiaries.The Group makes provision of expected credit losses to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Derivatives

The derivatives are entered with the credit worthy banks and financial institutions counter parties. The Credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis is considered to be good.

Guarantees

The Company's policy is to provide the financial guarantees only for its subsidiaries. During the year ended March 31, 2022, the Company has issued guarantees of ₹ 97.03 crore (AUD 17.00 million) (March 31, 2021: ₹ 43.98 crore (USD 6 million)) to a bank in respect of credit facilities availed by a subsidiary of the Company. The Company has also provided guarantees to the customers of subsidiaries in respect of mobilisation advance received by the subsidiaries and for the performance of the contract obligations.

Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by the Group as at March 31, 2022 and March 31, 2021. The Group monitors the credit worthiness of such lessors where the amount of security deposit is material.

Other than the trade receivables, and other receivables the Group has no other financial assets that are past due but not impaired.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

ii ***Liquidity risk***

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has obtained fund and non-fund based working capital lines from various banks and financial institutions. The Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. The management monitor's the company net liquidity position through rolling forecasts on the basis of expected cash flow.

As at March 31, 2022, the Group had trust receipts of ₹ 76.03 crore (March 31, 2021: ₹ 62.77 crore), secured borrowings from banks of ₹ 316.89 crore (March 31, 2021: ₹ 313.94 crore), unsecured borrowings from banks and others of ₹ Nil (March 31, 2021: ₹ 54.30 crore), Commercial papers ₹ Nil (March 31, 2021: ₹ 37.34 crore), Supplier credit facility ₹ 42.14 crore (March 31, 2021: ₹ Nil) cash and cash equivalents of ₹ 457.51 crore (March 31, 2021: ₹ 219.82 crore) and other bank balances of ₹ 50.53 crore (March 31, 2021: ₹ 76.30 crore).

During the year ended there were 23 occassions (March 31, 2021: 12 occasions) of delay in repayment of working capital loans to twelve Banks (March 31, 2021: three Banks) for a period ranging between 1 to 28 days (March 31, 2021: 1 to 9 days and in one instance of 29 days (during which period the Holding Company was in discussion with the bank for a rollover)). There were no instances of delays in working capital loans other than as mentioned. Further the same were regularised and there is no overdue outstanding as at March 31, 2022 and March 31, 2021.

Exposure to liquidity risk

The table below analyses the group's financial liabilities into relevant maturity groupings based on their contractual maturities for non derivative financial liabilities:

March 31, 2022		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
7%, Non-convertible, Non-cumulative Preference shares	0.00	0.00	-	-	-	0.00
Lease liabilities	11.13	13.52	3.58	2.94	4.73	2.26
Secured loans	316.89	327.97	327.97	-	-	-
Unsecured loans	42.14	45.56	45.56			
Trust receipts	76.03	76.03	76.03	-	-	-
Trade payables	1,402.86	1,402.86	1,402.86	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.40	3.40	3.40	-	-	-
Other current financial liabilities	26.86	26.86	26.86	-	-	-
	1,883.90	**1,900.79**	**1,890.85**	**2.94**	**4.73**	**2.26**
Derivative financial liabilities:						
Forward exchanged contracts used for hedging						
- Outflow	20.37	742.29	742.29	-	-	-
- Inflow		(721.92)	(721.92)	-	-	-
	20.37	**20.37**	**20.37**	**-**	**-**	**-**

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March 31, 2021	Carrying amount	Contractual cash flows Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
7%, Non-convertible, Non-cumulative Preference shares	0.00	0.00	-	-	-	0.00
Lease liabilities	10.68	13.92	2.25	2.24	5.74	3.69
Secured loans	351.28	358.08	358.08	-	-	-
Unsecured loans	54.30	55.26	55.26	-	-	-
Trust receipts	62.77	62.77	62.77	-	-	-
Trade payables	1,856.73	1,856.73	1,856.73	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.72	3.72	3.72	-	-	-
Other current financial liabilities	59.77	59.77	59.77	-	-	-
	2,403.84	**2,414.84**	**2,403.17**	**2.24**	**5.74**	**3.69**
Derivative financial liabilities:						
Forward exchanged contracts used for hedging						
- Outflow	98.68	805.77	805.77	-	-	-
- Inflow		(707.09)	(707.09)	-	-	-
Other current financial liabilities	98.68	98.68	98.68			

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii ***Market risk***

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies

(a) Currency Risk

The Holding Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Holding Company is Indian Rupee.

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Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

Amounts in INR	March 31, 2022				
	USD	EUR	AUD	AED	Others *
Financial assets					
Trade Receivables	214.18	-	0.43	-	-
Cash and Cash Equivalents	0.52	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-	-
Other receivables	421.93	0.55	-	-	0.02
Exposure to foreign currency assets	**636.63**	**0.55**	**0.43**	**-**	**0.02**
Less: Forward exchange contract	-	-	-	-	-
Net exposure to foreign currency Asset	**636.63**	**0.55**	**0.43**	**-**	**0.02**
Financial liabilities					
Trade payables and other payable	6.55	0.69	-	-	1.99
Exposure to foreign currency liabilities	**6.55**	**0.69**	**-**	**-**	**1.99**
Less: Forward exchange contract	-	-	-	-	-
Net exposure to foreign currency liabilities	**6.55**	**0.69**	**-**	**-**	**1.99**
Net Exposure	**630.08**	**(0.14)**	**0.43**	**-**	**(1.97)**

*others include West African Franc (XOF), Moroccon Dirhams (MAD), Swiss Franc (CHF), British Pound (GBP), Zambian Kwacha (ZMW), Namibia Dollar (NAD), Egyptian Pound (EGP), South African Rand (SAR), Thailand Baht(THB).

Amounts in INR	March 31, 2021				
	USD	EUR	AUD	AED	Others *
Financial assets					
Trade Receivable	306.29	-	50.91	-	-
Cash and Cash Equivalents	11.46	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-	-
Other receivables	8.43				
Exposure to foreign currency assets	**326.18**	**-**	**50.91**	**-**	**-**
Forward exchange contract	-	-	-	-	-
Net exposure to foreign currency assets	**326.18**	**-**	**50.91**	**-**	**-**
Financial liabilities					
Trade payables and other payable	180.10	98.50	-	0.07	1.44
Exposure to foreign currency liabilities	**180.10**	**98.50**	**-**	**0.07**	**1.44**
Forward exchange contract	23.07	-	-	-	-
Net exposure to foreign currency liabilities	**157.03**	**98.50**	**-**	**0.07**	**1.44**
Net exposure	**169.15**	**(98.50)**	**50.91**	**(0.07)**	**(1.44)**

*others include West African Franc (XOF), Moroccon Dirhams (MAD), Swiss Franc (CHF), British Pound (GBP), Zambian Kwacha (ZMW), Namibia Dollar (NAD), Egyptian Pound (EGP), South African Rand (SAR), Thailand Baht(THB).

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a. The forward contracts booked also includes the future purchase transaction exposure.

b. Hedged foreign currency exposure

		March 31, 2022		March 31, 2021	
		Foreign currency (in crore)	Indian Rupees (in crore)	Foreign currency (in crore)	Indian Rupees (in crore)
Foreign exchange forward contracts (To hedge highly probable future transactions - payables)	USD			0.31	23.07
Foreign exchange forward contracts (To hedge highly probable future transactions - payables)	EUR	-	-	-	-
Foreign exchange forward contracts (To hedge receivables)	USD	-	-	-	-
		-	**-**	**0.31**	**23.07**

Sensitivity analysis

A 5% strengthening / weakening of the respective foreign currencies with respect to functional currency of Group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in INR million	March 31, 2022 Profit and Loss		March 31, 2021 Profit and Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD	31.50	(31.50)	8.46	(8.46)
EUR	(0.01)	0.01	(4.92)	4.92
AUD	0.02	(0.02)	2.55	(2.55)
AED	-	-	(0.00)	0.00
Others *	(0.10)	0.10	(0.07)	0.07

*others include West African Franc (XOF), Moroccon Dirhams (MAD), Swiss Franc (CHF), British Pound (GBP), Zambian Kwacha (ZMW), Namibia Dollar (NAD), Egyptian Pound (EGP), South African Rand (SAR), Thailand Baht(THB).

c. Hedge accounting

Cash flow hedges

At March 31, 2022, the Group holds the following instruments to hedge exposures to changes in foreign currency.

Foreign currency risk	Maturity analysis		
	1-6 months	6-12 months	More than 1 year
Foreign exchange forward contracts			
Net exposure (loss) / gain (₹ in crore)	(20.37)	-	-
Average AUD:USD forward contract rate	0.72	-	-
Average USD:INR forward contract rate	76.47	-	-

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The amounts at the reporting date relating to items designated as hedged items are as follows

Foreign currency risk	Change in value used for calculating hedge ineffectivness	Effective portion of cash flow hedges	Costs of hedging	Balances remaining in equity head 'effective portion of cash flow hedges' from hedging relationships for which hedge accounting is no longer applied
March 31, 2022				
Foreign currency risk				
Highly probable forecast cash flows - receivable (AUD) and payable (USD)	-	(20.37)	-	-
Highly probable forecast cash flows - letter of credit payable (USD)	-	(0.00)	-	-
	-	**(20.37)**	**-**	**-**

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

Foreign currency risk	March 31, 2022			During the year ended March 31, 2022		
	Carrying amount					
	Nominal amount	Assets	Liabilities	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI
March 31, 2022						
AUD-INR	-	-	-	0.30	-	-
AUD-USD	10.60	-	(20.37)	75.77	(0.02)	-
USD-INR	1.60	-	(0.00)	0.45	-	-

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting :

	March 31, 2022	
	Equity head	
	Effective portion of cash flow hedges	Cost of hedging
Balance as at April 1, 2021	(74.08)	-
Cash flow hedges		
Changes in fair value :		
Highly probable forecast cash flows – Trade receivables	20.94	-
Highly probable forecast cash flows – Trade payable and Letter of credit payable	0.45	-
Amount reclassified to profit or loss - Highly probable forecast cash flows – Trade receivables	55.13	-
Amount included in the cost of non-financial items	-	-
Tax on movements in relevant items of OCI during the year	(3.77)	-
Tax on relevant items of OCI during the year reclassified to profit or loss	(13.88)	-
Balance as at March 31, 2022	**(15.21)**	**-**

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c. Hedge accounting

Cash flow hedges

At March 31, 2021, the Group holds the following instruments to hedge exposures to changes in foreign currency.

Foreign currency risk	Maturity analysis		
	1-6 months	6-12 months	More than 1 year
Foreign exchange forward contracts			
Net exposure (loss) / gain (₹ in crore)	(97.91)	1.07	-
Average AUD:USD forward contract rate	0.67	0.77	-
Average USD:INR forward contract rate	-	77.21	-
Average AUD:INR forward contract rate	51.41	-	-

The amounts at the reporting date relating to items designated as hedged items are as follows

Foreign currency risk	Change in value used for calculating hedge ineffectivness	Effective portion of cash flow hedges	Costs of hedging	Balances remaining in equity head 'effective portion of cash flow hedges' from hedging relationships for which hedge accounting is no longer applied
March 31, 2021				
Foreign currency risk				
Highly probable forecast cash flows - receivable (AUD) and payable (USD)	0.02	(96.10)	-	-
Highly probable forecast cash flows - receivable (AUD)	-	(0.31)	-	
Highly probable forecast cash flows - letter of credit payable (USD)	-	(0.45)	-	-
	0.02	**(96.86)**	**-**	**-**

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

Foreign currency risk	March 31, 2021			During the year ended March 31, 2021		
	Carrying amount					
	Nominal amount	Assets	Liabilities	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI
March 31, 2021						
AUD-INR	0.06	-	(0.30)	(0.30)	-	-
AUD-USD	17.01	1.92	(97.93)	(96.03)	0.02	-
USD-INR	0.31	-	(0.45)	(0.45)	-	-

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting :

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

	March 31, 2021	
	Equity head	
	Effective portion of cash flow hedges	Cost of hedging
Balance as at April 1, 2020	-	-
Cash flow hedges		
Changes in fair value :		
Highly probable forecast cash flows – Trade receivables	(159.51)	-
Highly probable forecast cash flows – Trade payable and Letter of credit payable	(0.45)	-
Amount reclassified to profit or loss - Highly probable forecast cash flows – Trade receivables	63.10	-
Amount included in the cost of non-financial items	-	-
Tax on movements in relevant items of OCI during the year	38.65	-
Tax on relevant items of OCI during the year reclassified to profit or loss	(15.88)	-
Balance as at March 31, 2021	**(74.08)**	**-**

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates to security deposits, loans given and borrowings from financial institutions.

For details of the Group's short-term and long-term loans and borrowings, including interest rate profiles, refer to Note 25 and 27 of these financial statements.

Particulars	March 31, 2022	March 31, 2021
Fixed rate instruments		
Financial Assets	48.75	959.98
Financial liabilities	(399.83)	(381.24)
	(351.08)	**578.74**
Variable rate instruments		
Financial liabilities	(46.37)	(97.79)
	(46.37)	**(97.79)**

Interest rate sensitivity - fixed rate instruments

The Group's fixed rate borrowings and fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Interest rate sensitivity - variable rate instruments

INR	March 31, 2022 Profit or loss		March 31, 2021 Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(0.46)	0.46	(0.98)	0.98
Cash flow sensitivity (net)	**(0.46)**	**0.46**	**(0.98)**	**0.98**

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

(c) Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders

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, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity

The Group's adjusted net debt to equity ratio is as follows:

Particulars	March 31, 2022	March 31, 2021
Non-Current Borrowings	7.95	9.11
Current Borrowings	438.26	469.92
Gross debt	446.21	479.03
Less : Cash and cash equivalents	457.51	219.82
Adjusted net debt	(11.30)	259.21
Total equity	905.83	657.79
Adjusted net debt to adjusted equity ratio	**(0.01)**	**0.39**

53 The Red Herring Prospectus dated July 29, 2019 stated that the Shapoorji Pallonji and Company Private Limited and Khurshed Yazdi Daruvala ("Selling Shareholders") shall use a portion of net offer proceeds towards funding full repayment of the outstanding inter-corporate deposits/ loans payable by fellow subsidiaries to the Holding Company and its subsidiary company. The balance outstanding as at the beginning of the year was entirely repaid during the year along with all interest accrued thereagainst.

The Holding Company has responded to queries on this matter raised by the concerned authorities. The Holding Company, based on independent opinions from legal experts, has determined that there is no non-compliance with any provisions of the Companies Act, 2013 and/ or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, by the Holding Company, in respect of this matter.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

54 Details of Branches and Company

The Consolidated Financial Statements includes the financial statements of the following entities:

Sr. No.	Name of Branch/ Company	Country of Incorporation	% Holding as at March 31, 2022	Control and share of profit / loss as at March 31, 2022
	Branches:			
1	Sterling and Wilson - Philippines	Phillipines	NA	NA
2	Sterling and Wilson - Namibia	Namibia	NA	NA
3	Sterling and Wilson - Zambia	Zambia	NA	NA
4	Sterling and Wilson - Vietnam (1 branch and 2 Project office)	Vietnam	NA	NA
5	Sterling and Wilson - Argentina	Argentina	NA	NA
6	Sterling and Wilson - Egypt (2 branches)	Egypt	NA	NA
7	Sterling and Wilson - Australia	Australia	NA	NA
8	Sterling and Wilson - Indonesia	Indonesia	NA	NA
9	Sterling and Wilson - Jordan (2 branches)	Jordon	NA	NA
10	Sterling and Wilson - Mexico	Mexico	NA	NA
11	Sterling and Wilson - Kenya	Kenya	NA	NA
12	Sterling and Wilson - Morocoo	Morocco	NA	NA
13	Sterling and Wilson - Dubai	United Arab Emirates	NA	NA
14	Sterling and Wilson - Chile	Chile	NA	NA
15	Sterling and Wilson - United Kingdom	United Kingdom	NA	NA
	Subsidiaries:			
1	Sterling and Wilson International Solar FZCO	United Arab Emirates	100%	100%
2	Sterling and Wilson (Thailand) Limited*	Thailand	100%	100%
3	Sterling and Wilson Saudi Arabia Limited*	Saudi Arabia	100%	100%
4	Sterling Wilson - SPCPL - Chint Moroccan Venture	India	92%	92%
5	Esterlina Solar Engineers Private Limited	India	100%	100%
6	Sterling and Wilson Solar LLC	Oman	70%	100%
	Subsidiaries of Sterling and Wilson International Solar FZCO:			
1	Sterling and Wilson Middle East Solar Energy L.L.C. (100% holding w.e.f August 24, 2021)	United Arab Emirates	100%	100%
2	Sterling and Wilson Singapore Pte Ltd	Singapore	100%	100%
3	Sterling and Wilson Engineering (Pty) Ltd	South Africa	60%	60%
4	Sterling and Wilson Solar Solutions Inc.	United States of America	100%	100%
5	Sterling and Wilson Solar Spain, S.L.* # (Formerly known as Renovable Energia Contracting S.L.)	Spain	99%	99%
6	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd) (w.e.f. January 1, 2021)	Australia	100%	100%
7	Sterling and Wilson International LLP (formerly known as A&S Company LLP)	Kazakhstan	100%	100%

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(Currency: Indian rupees in crore)

Sr. No.	Name of Branch/ Company	Country of Incorporation	% Holding as at March 31, 2022	Control and share of profit / loss as at March 31, 2022
8	Sterling and Wilson Solar Australia Pty. Ltd.	Australia	100%	100%
9	Sterling and Wilson Solar Malaysia Sdn. Bhd.	Malasiya	30%	100%
	Subsidiary of Sterling and Wilson Singapore Pte Ltd:			
1	Sterling and Wilson Kazakhstan LLP	Kazakhstan	100%	100%
	Subsidiary of Sterling and Wilson Solar Solutions Inc.			
1	Sterling and Wilson Solar Solutions LLC	United States of America	100%	100%

* The Company is in the process of completing the relevant statutory and regulatory procedures to give effect to the Scheme of Arrangement approved by the National Company Law Tribunal ('NCLT') order dated March 28, 2018.

During the current year, 10 subsidiaries under Sterling and Wilson Solar Spain, S.L. has been incorporated and share capital has not been infused as at 31 March 2022.

The Consolidated Financial Statements includes the financial statements of the following entities:

Sr. No.	Name of Company	Country of Incorporation	% Holding as at March 31, 2021	Control and share of profit / loss as at March 31, 2021
	Branches:			
1	Sterling and Wilson - Philippines	Phillipines	NA	NA
2	Sterling and Wilson - Namibia	Namibia	NA	NA
3	Sterling and Wilson - Zambia	Zambia	NA	NA
4	Sterling and Wilson - Vietnam (1 Branch and 2 Project office)	Vietnam	NA	NA
5	Sterling and Wilson - Argentina	Bangladesh	NA	NA
6	Sterling and Wilson - Egypt	Egypt	NA	NA
7	Sterling and Wilson - Australia	Australia	NA	NA
8	Sterling and Wilson - Indonesia	Indonesia	NA	NA
9	Sterling and Wilson - Jordon (2 Branches)	Jordon	NA	NA
10	Sterling and Wilson - Mexico	Mexico	NA	NA
11	Sterling and Wilson - Kenya	Kenya	NA	NA
12	Sterling and Wilson - Morocoo	Morocco	NA	NA
13	Sterling and Wilson - Dubai	United Arab Emirates	NA	NA
14	Sterling and Wilson - Chile	Chile	NA	NA
	Subsidiaries:			
1	Sterling and Wilson International Solar FZCO	United Arab Emirates	100%	100%
2	Sterling and Wilson (Thailand) Limited*	Thailand	100%	100%
3	Sterling & Wilson - Waaree Private Limited (merged with Holding Company w.e.f. April 1, 2020	India	100%	100%
4	Sterling and Wilson Saudi Arabia Limited*	Saudi Arabia	100%	100%

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Sr. No.	Name of Company	Country of Incorporation	% Holding as at March 31, 2021	Control and share of profit / loss as at March 31, 2021
5	Sterling Wilson - SPCPL - Chint Moroccan Venture	India	92%	92%
6	Sterling and Wilson Brasil Servicos Ltda. (upto August 26, 2019)	Brazil	100%	100%
7	Esterlina Solar Engineers Private Limited	India	100%	100%
8	Sterling and Wilson Solar LLC	Oman	70%	100%
	Subsidiaries of Sterling and Wilson International Solar FZCO:			
1	Sterling and Wilson Middle East Solar Energy L.L.C. (formerly known as Sterling and Wilson Powergen LLC).	United Arab Emirates	49%	100%
2	Sterling and Wilson Singapore Pte Ltd	Singapore	100%	100%
3	Sterling and Wilson Engineering (Pty) Ltd	South Africa	60%	60%
4	Sterling and Wilson Solar Solutions Inc.	United States of America	100%	100%
5	Renovable Energia Contracting S.L.*	Spain	99%	99%
6	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	Australia	100%	100%
7	Sterling and Wilson International LLP	Kazakhstan	100%	100%
8	Sterling and Wilson Solar Australia Pty. Ltd.	Australia	100%	100%
9	Sterling and Wilson Solar Malaysia Sdn. Bhd.	Malasiya	30%	100%
	Subsidiary of Sterling and Wilson Singapore Pte Ltd:			
1	Sterling and Wilson Kazakhstan LLP	Kazakhstan	100%	100%
	Subsidiary of Sterling and Wilson Solar Solutions Inc.			
1	Sterling and Wilson Solar Solutions LLC	United States of America	100%	100%

* The Company is in the process of completing the relevant statutory and regulatory procedures to give effect to the Scheme of Arrangement approved by the National Company Law Tribunal ('NCLT') order dated March 28, 2018.

55 Additional information, as required under Schedule III to the Companies Act, 2013

Name of the Company	March 31, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Sterling and Wilson Renewable Energy Limited	165.73%	1,501.23	18.29%	(167.52)	89.79%	63.00	12.36%	(104.52)
Subsidiaries								
Indian								
Sterling & Wilson - Waaree Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling Wilson-SPCPL-Chint Moroccan Venture	-6.76%	(61.20)	3.74%	(34.27)	-2.76%	(1.94)	4.28%	(36.21)
Esterlina Solar Engineers Private Limited	0.02%	0.14	0.19%	(1.74)	0.00%	-	0.21%	(1.74)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Name of the Company	March 31, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Foreign								
Sterling and Wilson International Solar FZCO and its subsidiaries								
Sterling and Wilson International Solar FZCO	57.34%	519.36	41.79%	(382.65)	13.31%	9.34	44.15%	(373.31)
Sterling and Wilson Middle East Solar Energy LLC	7.06%	63.99	4.53%	(41.52)	-0.61%	(0.43)	4.96%	(41.95)
Sterling and Wilson Singapore Pte Ltd.	-0.12%	(1.11)	0.01%	(0.11)	0.00%	-	0.01%	(0.11)
Sterling and Wilson Kazakhstan LLP	-0.12%	(1.13)	0.03%	(0.28)	0.00%	-	0.03%	(0.28)
Sterling and Wilson International LLP - Kazakhstan (formerly known as A&S Company LLP)	0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-
Geco Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	-11.71%	(106.10)	3.90%	(35.70)	0.00%	-	4.22%	(35.70)
Sterling and Wilson Engineering (Pty) Ltd.	-1.08%	(9.79)	0.54%	(4.98)	0.00%		0.59%	(4.98)
Sterling and Wilson Solar Solutions Inc.	-18.19%	(164.76)	6.37%	(58.35)	0.00%	-	6.90%	(58.35)
Renovable Energia Contracting S.L.*	-2.52%	(22.85)	1.26%	(11.55)	0.00%	-	1.37%	(11.55)
Sterling and Wilson Solar Australia Pty. Ltd.	-37.79%	(342.31)	20.28%	(185.71)	0.00%	-	21.96%	(185.71)
Sterling and Wilson Solar Malaysia Sdn. Bhd.	0.07%	0.61	0.02%	(0.22)	0.00%	-	0.03%	(0.22)
Sterling and Wilson Solar Solutions LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Other Foreign Subsidiaries								
Sterling and Wilson Brasil Servicos Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson (Thailand) Limited	-0.01%	(0.11)	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson Solar LLC	0.49%	4.42	0.81%	(7.46)	0.32%	0.22	0.86%	(7.23)
Sterling & Wilson Saudi Arabia Limited	-0.17%	(1.50)	0.01%	(0.05)	-0.03%	(0.02)	0.01%	(0.07)
Non Controlling Interest in all subsidiaries	-1.21%	(10.93)	0.69%	(6.30)	-0.62%	(0.43)	0.80%	(6.74)
Total Eliminations on Consolidation	-51.01%	(462.09)	-2.47%	22.63	0.60%	0.42	-2.73%	23.05
Total	**100.00%**	**905.83**	**100.00%**	**(915.76)**	**100.00%**	**70.16**	**100.00%**	**(845.60)**

* During the current year, 10 subsidiaries under Sterling and Wilson Solar Spain, S.L. has been incorporated and share capital has not been infused as at March 31, 2022 and their Net Assets, Share in loss and Share in other comprehensive income is ₹ Nil as at and for the year ended March 31, 2022.

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

Name of the Company	March 31, 2021							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Sterling and Wilson Solar Limited	77.83%	511.98	38.42%	(111.44)	63.29%	(78.98)	45.90%	(190.42)
Subsidiaries								
Indian								
Sterling & Wilson - Waaree Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling Wilson-SPCPL-Chint Moroccan Venture	-3.80%	(24.99)	1.58%	(4.57)	2.59%	(3.23)	1.88%	(7.80)
Esterlina Solar Engineers Private Limited	0.29%	1.89	-0.28%	0.82	0.00%	-	-0.20%	0.82
Foreign								
Sterling and Wilson International Solar FZCO and its subsidiaries								
Sterling and Wilson International Solar FZCO	136.39%	897.14	-47.66%	138.23	28.20%	(35.19)	-24.84%	103.05
Sterling and Wilson Middle East Solar Energy LLC	15.67%	103.04	0.81%	(2.36)	-0.13%	0.16	0.53%	(2.20)
Sterling and Wilson Singapore Pte Ltd.	-0.15%	(0.98)	0.03%	(0.09)	0.00%	-	0.02%	(0.09)
Sterling and Wilson Kazakhstan LLP	-0.12%	(0.82)	0.07%	(0.20)	0.00%	-	0.05%	(0.20)
Sterling and Wilson International LLP - Kazakhstan (formerly known as A&S Company LLP)	0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-
Geco Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	-10.30%	(67.72)	17.78%	(51.57)	0.00%	-	12.43%	(51.57)
Sterling and Wilson Engineering (Pty) Ltd.	-0.70%	(4.59)	-1.79%	5.18	0.00%		-1.25%	5.18
Sterling and Wilson Solar Solutions Inc.	-15.55%	(102.31)	9.17%	(26.60)	0.00%	-	6.41%	(26.60)
Renovable Energia Contracting S.L.	-1.64%	(10.78)	2.50%	(7.25)	0.00%	-	1.75%	(7.25)
Sterling and Wilson Solar Australia Pty. Ltd.	-22.66%	(149.07)	48.29%	(140.05)	0.00%	-	33.76%	(140.05)
Sterling and Wilson Solar Malaysia Sdn. Bhd.	0.12%	0.81	0.10%	(0.30)	0.00%	-	0.07%	(0.30)

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(Currency: Indian rupees in crore)

Name of the Company	March 31, 2021							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Sterling and Wilson Solar Solutions LLC	0.00%	-	0.00%	-	0.00%		0.00%	-
Other Foreign Subsidiaries								
Sterling and Wilson Brasil Servicos Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson (Thailand) Limited	-0.02%	(0.11)	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson Solar LLC	1.77%	11.65	-3.52%	10.20	0.11%	(0.13)	-2.43%	10.07
Sterling & Wilson Saudi Arabia Limited	-0.22%	(1.43)	0.29%	(0.84)	-0.04%	0.05	0.19%	(0.79)
Non Controlling Interest in all subsidiaries	-0.62%	(4.10)	1.61%	(4.66)	1.59%	(1.98)	1.60%	(6.65)
Total Eliminations on Consolidation	-76.28%	(501.79)	32.60%	(94.54)	4.39%	(5.48)	24.11%	(100.02)
Exchange differences on translation of foreign operations	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100.00%**	**657.78**	**100.00%**	**(290.04)**	**100.00%**	**(124.78)**	**100.00%**	**(414.82)**

56 Non-controlling Interests

The following table summarises the information relating to each of the Group's subsidiaries that has NCI, before any intra-group eliminations:

March 31, 2022	**Sterling Wilson-SPCPL-Chint Moroccan Venture**	**Sterling & Wilson Engineering Proprietary Limited**	**GCO Solar Proprietary Limited. (formerly known as GCO Electrical Proprietary Limited)**	**Total**
Percentage of non-controlling interests	**8%**	**40%**	**0% Refer note 6**	
Non-current assets	1.35	4.58	-	5.93
Current assets	76.81	25.52	-	102.33
Non-current liabilities	-	-	-	-
Current liabilities	(144.27)	(45.99)	-	(190.26)
Net assets	**(66.11)**	**(15.89)**	**-**	**(82.00)**
Consolidation adjustment	**-**	**1.78**	**-**	**1.78**
Net assets attributable to NCI	**(5.29)**	**(5.64)**	**-**	**(10.93)**

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

March 31, 2022	Sterling Wilson-SPCPL-Chint Moroccan Venture	Sterling & Wilson Engineering Proprietary Limited	GCO Solar Proprietary Limited. (formerly known as GCO Electrical Proprietary Limited)	Total
(Loss) after income tax	(37.25)	(8.30)	-	(45.55)
Other comprehensive income	(2.11)	(0.66)	-	(2.77)
Total comprehensive income	(39.36)	(8.96)	-	(48.32)
(Loss) attributable to NCI	(2.98)	(3.32)	-	(6.30)
Consolidation adjustment	-	-	-	-
(Loss) attributable to NCI	**(2.98)**	**(3.32)**	**-**	**(6.30)**
Other comprehensive income attributable to NCI	**(0.17)**	**(0.26)**	**-**	**(0.43)**
Total comprehensive (loss) attributable to NCI	**(3.15)**	**(3.58)**	**-**	**(6.73)**
Cash flows generated from / (used in) operating activities	6.84	7.21	-	14.05
Cash flows generated from investing activities	-	3.34	-	3.34
Cash flows (used in) / generated from financing activities	(5.57)	(3.41)	-	(8.97)
Net increase / (decrease) in cash and cash equivalents	**1.27**	**7.14**	**-**	**8.42**
Net increase / (decrease) in cash and cash equivalents attributable to NCI	**0.10**	**2.86**	**-**	**2.96**

March 31, 2021	Sterling Wilson-SPCPL-Chint Moroccan Venture	Sterling & Wilson Engineering Proprietary Limited	GCO Solar Proprietary Limited. (formerly known as GCO Electrical Proprietary Limited)	Total
Percentage of non-controlling interests	**8%**	**40%**	**0% Refer note 6**	
Non-current assets	1.26	3.65	-	4.92
Current assets	108.67	92.92	-	201.59
Non-current liabilities	-	-	-	-
Current liabilities	(136.82)	(103.16)	-	(239.99)
Net assets	**(26.88)**	**(6.57)**	**-**	**(33.45)**
Consolidation adjustment	**-**	**1.70**	**-**	**1.70**
Net assets attributable to NCI	**(2.15)**	**(1.95)**	**-**	**(4.10)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(Currency: Indian rupees in crore)

March 31, 2021	Sterling Wilson-SPCPL-Chint Moroccan Venture	Sterling & Wilson Engineering Proprietary Limited	GCO Electrical Proprietary Limited	Total
Profit after income tax	(4.97)	8.63	(59.29)	(55.62)
Other comprehensive income	(3.51)	(1.51)	(6.78)	(11.80)
Total comprehensive income	(8.48)	7.13	(66.07)	(67.42)
(Loss) / Profit attributable to NCI	(0.40)	3.45	(14.23)	(11.17)
Consolidation adjustment	-	-	6.52	6.52
(Loss) / Profit attributable to NCI	**(0.40)**	**3.45**	**(7.71)**	**(4.66)**
Other comprehensive income attributable to NCI	**(0.28)**	**(0.60)**	**(1.10)**	**(1.98)**
Total comprehensive income attributable to NCI	**(0.68)**	**2.85**	**(8.81)**	**(6.64)**
Cash flows generated from / (used in) operating activities	(10.09)	(5.24)	(0.03)	(15.36)
Cash flows generated from investing activities	(0.10)	3.15	(0.31)	2.74
Cash flows (used in) / generated from financing activities	19.34	3.94	-	23.28
Net increase / (decrease) in cash and cash equivalents	**9.14**	**1.86**	**(0.34)**	**10.67**
Net increase / (decrease) in cash and cash equivalents attributable to NCI	**0.73**	**0.74**	**(8.13)**	**(6.66)**

57 Transfer Pricing

The Group's international transactions with related parties are at arm's length as per the Independent accountants report for the year ended March 31, 2021. Management believes that the Group's international transactions with related parties post March 31, 2021 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these consolidated financial statements, particularly on amount of tax expense and that of provision for taxation.

58 Other receivables include costs incurred in relation to additional works undertaken by the Subsidiary Company to compensate a customer for deficiencies in the products supplied under the terms of the contract with the customer. The Subsidiary Company has incurred total cost of ₹ 105.43 crore (March 31, 2021: ₹ 101.34 crore) for the supply and installation of additional works. The management is of the view that the Subsidiary Company, under the terms of the Supply Agreement with its supplier has reasonable grounds to claim against the supplier for the costs incurred to complete the additional works. The management's view is also endorsed and supported by a legal opinion obtained from an external law firm. Accordingly, the management is confident that the amount is fully recoverable.

The Subsidiary Company has also filed a claim for recovery of ₹ 1,652.04 crore as at March 31, 2022 (March 31, 2021: 1,223.94 crore) (inclusive of the above incurred cost) as per the Module supply agreement between the Subsidiary Company and its supplier for its failure to rectify degradation losses in the performance of the PV modules. This matter is covered by the Indemnity Agreement (Refer note 59).

59 During the quarter ended December 31, 2021, the Holding Company has signed an Indemnity Agreement with Shapoorji Pallonji and Company Pvt. Ltd., Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Holding Company and its subsidiaries/branches for a net amount, if it exceeds ₹ 300.00 crore, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreements), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters. These amounts would be settled by September 30, 2022 and thereafter on September 30, of each succeeding year, on the basis of the final settlement amounts with customers/suppliers/other

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

authorities. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. The Promoter Selling Shareholders are consequently entitled to net off the amounts payable, with specific counter-claims levied and recovered by the Holding Company and its subsidiaries/branches on its customers/vendors relating to these matters. As at December 31, 2021, the Holding Company and its subsidiaries/branches have made provisions equivalent to ₹ 300.00 crore, including ₹ 158.24 crore during the quarter ended December 31, 2021. As explained above, since all future crystallized claims beyond the provided for ₹ 300.00 crore will be fully charged back and recovered from the Promoter Selling Shareholders, there will be no further impact on the results of the Holding Company and its subsidiaries/branches beyond December 31, 2021 due to the same.

60 The Holding Company, entered into a contract for a 100 MW AC Photovoltaic plant in the state of Karnataka with an infrastructure company ("customer") to cater to inhouse power demands of the large office space facilities at Bangalore of a real estate developer ("developer"). The works were majorly completed by end February 2018 and the balance work was pending due to non-availability of land, which was in the scope of the customer. In October 2018, the National Company Law Tribunal (""NCLT"") actions were initiated against the customer group and the Company issued a work suspension notice to the customer, for balance of payments, with a copy to the developer. The developer issued directions to the Company, vide a letter, to go ahead with the works/maintenance of the plant where in they also assured the Company that they would make the payment if the customer failed to pay. As on date the customer owes Holding Company ₹ 92.45 crore. In addition, an amount of ₹ 64.10 crore under confirmed, irrevocable Letters of Credit arranged by the customer from their bank mainly for the supplies which had been discounted by Holding Company, after confirmation, both from the customer and their bank, became due. Due to the NCLT actions against the customer group, the customer's bank refused to make the payment to the Holding Company's bank citing prevention against doing the same due to the NCLT order, and the Holding Company had to return the amount back to its bank. During the year ended March 31, 2020, the Holding Company has initiated legal proceedings in both these matters, which are now pending with the National Company Law Appellate Tribunal.

The Holding Company had sought legal opinion regarding the amount due from the developer as per their assurance letter and from the customer's bank due to failure to pay confirmed Letters of Credit and has been advised that the said amounts are recoverable. The amount of ₹ 92.45 crore and ₹ 64.10 crore is shown under the head Trade Receivables and Other Financial Assets, respectively. Basis the aforementioned legal opinions and the management assessment, inspite of being confident of full recovery, considering the expected credit loss requirement of Ind AS 109 "Financial Instruments", the management has recognised the provision to the extent of ₹ 31.33 crore as at March 31, 2022 (March 31, 2021: ₹ 31.33 crore), based on management's best estimate of collection of the aforementioned receivables as at March 31, 2022. This matter is covered by the Indemnity Agreement (Refer note 59).

61 During the year ended March 31, 2022, four customers of the Holding Company encashed advance and performance bank guarantees amounting to ₹ 588.51 crore. Three of the projects are virtually completed and the last one is about 87.50% completed as of March 31, 2022. The Senior Management of the Company had several rounds of discussions with the customers and are actively engaged to resolve the matter. The Holding Company has finalized settlement agreements with two customers, on the basis of which the entire amount against the corresponding bank guarantees encashed, amounting to ₹ 175.87 crore, was refunded by one customer, whilst the second customer is in the process of refunding an amount of ₹ 144.50 crore. Similar Settlement agreements are under discussion for the other two projects. Based on the current ongoing discussions, the Management is hopeful that the issue will be resolved amicably, and accordingly there is no need to make provision for the same during the quarter and year ended March 31, 2022. The balance receivable has been shown as recoverable from customers under Other current financial assets as at March 31, 2022.

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for the year ended March 31, 2022

(Currency: Indian rupees in crore)

62 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Holding Company towards Provident fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code of Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Holding Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

63 During the current year, the managerial remuneration provided by the Holding Company in relation to its Manager is in excess of the limits laid down under Section 197 of the Companies Act, 2013, read with schedule V to the Act by ₹ 0.69 crore. The Holding Company is in the process of obtaining approval for ₹ 0.69 crore towards the managerial remuneration for the financial year 2021-2022 from its shareholders at the forthcoming annual general meeting.

64 The outbreak of the Coronavirus (COVID-19) pandemic had globally caused significant disturbance and slowdown of economic activity. During the year, the construction activities at various sites witnessed a slowdown as per the directives issued by various regulatory authorities which led to an increased cost of construction (including rise in module and commodity costs) as well as overheads due to extended time. Owing to these factors, the Group has faced liquidity challenges during a part of the year.

The Group continues to have an executable order book, a positive net-worth and favorable net current asset position. The Group's Management and the Board of Directors of the Holding Company have also made an assessment on going concern, after considering the Group's projected cash flows for the next 12 months, as well as financing arrangements to fulfil its working capital requirements and necessary capital expenditure.

The Group has used the principles of prudence in applying judgements, estimates and assumption and based on the current estimates' Management has assessed the impact of existing and anticipated impact of COVID-19 on future projected cash-flows. Based on all the above the Management believes that the Group will continue its business in the foreseeable future, so as to be able to realise its assets and discharge its liabilities in the normal course.

65 Previous year figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

66 Other matters

Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Group for the year.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

Mumbai
April 7, 2022

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Chandra Thakur
Manager
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 7, 2022

STERLING & WILSON

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