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Chartered Accountants

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Independent Auditors' Report

To the Partners of Sterling Wilson – SPCPL – Chint Moroccan Venture

Report on the Financial Statements

We have audited the accompanying financial statements of Sterling Wilson – SPCPL – Chint Moroccan Venture ('the Partnership Firm'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the period from 28 November 2016 to 31 March 2017, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Return for the period ended on that date audited by the branch auditor of the Partnership Firm's branch at Morocco.

Management's Responsibility for the Financial Statements

The Partnership Firm's designated partners are responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Partnership Firm in accordance with the accounting principles generally accepted in India, including accounting standard issued by the Institute of Chartered Accountants of India ('ICAI') and the provisions of the Partnership Act, 1932 ('the Act'), to the extent applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Partnership Firm and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards on auditing issued by ICAI. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



Independent Auditors' Report **Sterling Wilson – SPCPL – Chint Moroccan Venture**

Auditors' Responsibility (*Continued*)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Partnership Firm's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership Firm's internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

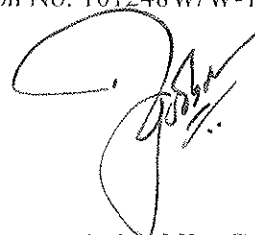
In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of audit report of other auditor on the financial statements of the branch referred to in the Other Matter paragraph below, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Partnership Firm as at 31 March 2017 and its loss and its cash flows for period from 28 November 2016 to 31 March 2017.

Other Matter

We did not audit the financial statements of one branch included in the financial statements of the Partnership Firm whose financial statements reflect total assets of Rs 49,386,935 as at 31 March 2017 and total revenues of Rs Nil for the period from 28 November 2016 to 31 March 2017, as considered in the financial statements. This branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

Our opinion on the financial statements is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Aniruddha Godbole
Partner

Mumbai
7 September 2017

Membership No: 105149

Sterling Wilson-SPCPL-Chint Moroccan Venture

Balance sheet

as at 31 March 2017

(Currency : Indian Rupees)

Particulars	Note	31 March 2017
CAPITAL AND LIABILITIES		
Capital Accounts		
Partners' Capital Account	3	(677,480)
		<u>(677,480)</u>
Current liabilities		
Trade payables	4	-
- Outstanding dues of Micro Enterprises and Small Enterprises		22,020,489
- Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		38,396,149
Other current liabilities	5	42,526
Short-term provisions	6	<u>60,459,164</u>
TOTAL		<u><u>59,781,684</u></u>
ASSETS		
Non-current assets		
Fixed assets	7	2,303,088
Long-term loans and advances	8	<u>1,263,306</u>
		<u>3,566,394</u>
Current assets		
Inventories	9	20,522,081
Cash and bank balances	10	18,808,144
Short-term loans and advances	11	<u>16,885,065</u>
		<u>56,215,290</u>
TOTAL		<u><u>59,781,684</u></u>
Significant accounting policies	2	
Notes to the financial statements	3 - 25	

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Aniruddha Godbole
Partner

Membership No: 105149

Mumbai

**For and on behalf of the Partners of
Sterling Wilson-SPCPL-Chint Moroccan Venture**

Firm Registration No: JNR / 884/2016-17

Ravi Ananthakrishnan

Ravi Ananthakrishnan
Authorised signatory for managing Partner
(Sterling and Wilson Private Limited)

Mumbai

07 SEP 2017

07 SEP 2017

Sterling Wilson-SPCPL-Chint Moroccan Venture

Statement of profit and loss

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian Rupees)

Particulars	Note	For the period beginning 28 November 2016 to 31 March 2017
Income		
Other income	12	135,940
Total income		135,940
Expenses		
Cost of construction materials, stores and spare parts	13	-
Changes in inventories of work-in-progress	14	(13,518,011)
Direct project costs	15	13,518,011
Depreciation expenses	7	411,517
Other expenses	16	358,800
Total expenses		770,317
Loss before tax		(634,377)
Tax expense		
(i) Current tax		43,103
(ii) Deferred tax		-
		43,103
Loss for the period		(677,480)

Significant accounting policies

2

Notes to the financial statements

3 - 25

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Aniruddha Godbole

Partner

Membership No: 105149

Mumbai

07 SEP 2017

For and on behalf of the Partners of
Sterling Wilson-SPCPL-Chint Moroccan Venture

Firm Registration No: JNR / 884/2016-17



Ravi Ananthakrishnan

Authorised signatory for managing Partner
(Sterling and Wilson Private Limited)

Mumbai

07 SEP 2017

Sterling Wilson-SPCPL-Chint Moroccan Venture

Cash flow statement

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian Rupees)

Particulars	For the period beginning 28 November 2016 to 31 March 2017
Cash flows from Operating Activities	
Loss before Tax	(634,377)
Adjustment for:	
Depreciation expenses	411,517
Operating profit before working capital changes	(222,860)
Changes in working capital	
Increase in inventories	(20,522,081)
Increase in loans and advances	(18,148,371)
Increase in trade payables	22,020,489
Increase in current liabilities and provisions	38,396,149
Cash generated from operating activities	21,523,326
Taxes paid (net)	-
Net cash flows from operating activities (A)	21,523,326
Cash flows from investing activities	
Purchase of fixed assets	(2,714,605)
Net cash flows (used in) investing activities (B)	(2,714,605)
Cash flows from financing activities (C)	-
Net movement in currency translation (D)	(577)
Net increase in cash and cash equivalents (A+B+C+D)	18,808,144
Cash and cash equivalents - opening balance	-
Cash and cash equivalents - closing balance (Refer note 10)	18,808,144

Notes:

- a) The above cashflow have been prepared under the "Indirect Method" as set out in Accounting Standard (AS) 3, Cash Flow Statement.
- b) Cash comprises cash on hand, current accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

Components of cash and cash equivalents

Particulars	31 March 2017
Cash on hand	246,895
Balances with banks	
- in current accounts	18,561,249
	18,808,144

The notes referred to above form an integral part of the financial statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai

For and on behalf of the Partners of
Sterling Wilson-SPCPL-Chint Moroccan Venture
Firm Registration No: JNR / 884/2016-17

Ravi Ananthakrishnan
Authorised signatory for managing Partner
(Sterling and Wilson Private Limited)

Mumbai

07 SEP 2017

07 SEP 2017

Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements

for the period beginning 28 November 2016 to 31 March 2017

(Currency: Indian rupees)

1 Background

Sterling and Wilson-SPCPL-Chint Moroccan Venture and its branch office in Morocco (hereinafter referred to as "the Partnership Firm") was formed on 28 November 2016 between Sterling and Wilson Private Limited (Partner 1), Shapoorji Pallonji and Company Private Limited (Partner 2) and Astronergy Solar India Private Limited (Partner 3).

The Partnership Firm is a joint operation for carrying the business of turnkey execution of 65 MW (AC) at Laayoune, 55 MW (AC) at Quarzazate, and 15 MW (AC) at Boujdour totalling to 135 MW (AC) EPC solar project in Morocco including supply, erection, installation, testing, commissioning and other things which are incidental, ancillary or conducive to the aforesaid objects.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP") and comply with the accounting standards issued by The Institute of Chartered Accountants of India (ICAI). The accounting policies have been consistently applied by the Partnership firm. The financial statements are presented in Indian Rupees.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current-non-current classification

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Partnership Firm's normal operating cycle
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Partnership Firm's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Partnership Firm does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Partnership Firm's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

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 Partnership Firm has ascertained its operating cycle as 18 months for the purpose of current - non-current classification of assets and liabilities.



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.4 Fixed assets and depreciation

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price and any attributable cost such as non-refundable duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

As regards rates of Depreciation, the same is taken as set out in below table:

Assets	Rate of depreciation
Computers	25%
Plant and Machinery	10%
Furniture and fixtures	10%

Lease hold improvements are amortised over the primary lease period or the useful life of the assets, whichever is lower.

Advance paid /expenditure incurred on acquisition /construction of fixed assets which are not ready for their intended use at each balance sheet date are disclosed under long-term loans and advances as advances on capital account and capital work-in-progress respectively. Capital work-in-progress includes cost of fixed assets that are not ready to use at balance sheet date.

2.5 Impairment of assets

The Partnership Firm assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Partnership Firm estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Inventories and project work-in-progress

Direct expenses like materials used for the projects, site labour cost, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, bank guarantee charges, design and technical assistance, and direct project overheads are taken as the cost of the project work-in-progress.

Material at central stores comprises wiring, cabling and air-conditioning material, components, stores and spares.

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.

2.7 Revenue recognition

Revenue from works contracts

Contract prices are either fixed or subject to price escalation clauses. Revenue from works contracts is recognised on the basis of percentage completion method, and the level of completion depends on the nature and type of each contract including:

- Unbilled work-in-progress valued at lower of cost and net realisable value upto the stage of completion. Cost includes direct material, labour cost and appropriate overheads; and
- amounts due in respect of the price and other escalation, bonus claims and/or variation in contract work approved by the customer/third parties etc. where the contract allows for such claims or variations and there is evidence that the customer/third party has accepted it.

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 Partnership Firm, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion. The estimates of cost are periodically reviewed by the Management and the effect of changes in estimates is recognised in the period such changes are identified.

Revenue from works contracts, where the outcome cannot be estimated reliably, is recognised only to the extent of contract costs incurred that it is probable will be recoverable, and contract costs shall be recognised as an expense in the period in which they are incurred.

In addition, if it is expected that the contract will make a loss, the estimated loss is provided for in the books of account. Liquidated damages/ penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Partnership Firm.

Income from works contracts exclude sales tax, value added tax and works contract tax on accrual basis and service tax on payment / accrual basis when the services are completed.



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency: Indian rupees)

2.8 Advances from customers, progress payments and retention

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract.

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

2.9 Income taxes

Income-tax expense comprises current tax and deferred tax charge or credit.

Current tax

Provision for current tax is based on the results for the period, in accordance with the provisions of the Income-tax Act, 1961 and applicable income-tax laws in Morocco.

Deferred tax

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset will be realised. Deferred tax asset is reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

2.10 Borrowing costs

Borrowing costs attributable to the borrowings made towards working capital requirement are recognized as an expense in the period in which they are incurred.

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

2.11 Employee benefits

(a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits such as salaries, wages and short term compensated absences, etc. and the expected cost of ex gratia are recognised in the period in which the employee rendered the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period.

(b) Post employment benefits

Defined contribution plans:

The Partnership Firm makes specified monthly contributions towards Social Security Contributions in compliance with the domestic laws of the country in which the foreign branch operates. The Partnership Firm's contribution paid / payable under these schemes are recognised as expense in the Statement of profit and loss during the period in which the employee renders the related service.

2.12 Foreign currency transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of profit and loss of the period.

Monetary assets and liabilities in foreign currency, which are outstanding as at the period-end and not covered by forward contracts, are translated at the period-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of profit and loss. Non-monetary foreign currency items are carried at cost.

The Partnership Firm treats its foreign branch transactions as integral foreign operations and accounting for the same is in compliance with the revised Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates'.

Revenue items other than depreciation costs are translated into the reporting currency at average exchange rates during the period. Foreign currency denominated current assets and current liabilities at balance sheet date are translated at exchange rates prevailing on the date of the balance sheet. Fixed assets are translated at exchange rates on the date of transaction and depreciation on fixed assets is translated at the exchange rates used for translation of the underlying fixed assets. Net exchange difference resulting from translation of items in the financial statements of the foreign branch office is recognised in the Statement of profit and loss.



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency: Indian rupees)

2.12 Operating lease

Lease rentals in respect of assets acquired on operating leases are recognised in the Statement of profit and loss on a straight line basis over the lease term.

2.13 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 financial statements.

2.14 Provisions and contingencies

A provision is recognised when:

- a) the Partnership Firm has a present obligation as a result of a past event;
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

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. Where there is a possible obligation or a present obligation that the likelihood of outflow of resource is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian Rupees)

Particulars	31 March 2017
3. Partners' Capital Account	
Partners' share of profit / (loss) in partnership firm	
Sterling and Wilson Private Limited	
Opening balance	-
Add: Share of loss for the period	(623,282)
Closing Balance	(623,282)
Shapoorji Pallonji and Company Private Limited	
Opening balance	-
Add: Share of loss for the period	(33,874)
Closing Balance	(33,874)
Astronergy Solar India Private Limited	
Opening balance	-
Add: Share of loss for the period	(20,324)
Closing Balance	(20,324)
	(677,480)
4. Trade payables	
- Total outstanding dues of micro enterprises and small enterprises (Refer note 20)	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	22,020,489
	22,020,489
5. Other current liabilities	
Advance from customers	36,498,952
Employee benefits payable	464,305
Statutory dues payable :	
- Tax deducted at source	924,627
- Social security contribution	508,265
	38,396,149
6. Short-term provisions	
Other provisions :	
Provision for tax (net of advance tax: Rs Nil)	42,526
	42,526



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian Rupees)

Particulars	31 March 2017
8. Long-term loans and advances	
<i>(Unsecured, considered good)</i>	
<i>To parties other than related parties</i>	
Deposits	1,263,306
	<u>1,263,306</u>
9. Inventories	
<i>(valued at lower of cost and net realisable value unless otherwise stated)</i>	
Construction materials, stores and spare parts	7,004,070
Project work-in-progress	13,518,011
	<u>20,522,081</u>
10. Cash and bank balances	
<i>Cash and cash equivalents</i>	
Cash on hand	246,895
Balances with banks	
- in current accounts	18,561,249
	<u>18,808,144</u>
11. Short-term loans and advances	
<i>(Unsecured, considered good)</i>	
<i>To parties other than related parties</i>	
Advances for supply of goods	245,462
Balance with government authorities	2,329,265
Prepaid expenses	14,310,338
	<u>16,885,065</u>



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian Rupees)

7. Fixed assets

Assets description	As at 28 November 2016	Additions during the period	Gross Block		Deductions during the period	As at 31 Mar 2017	As at 28 November 2016	Accumulated depreciation / amortisation			Net block As at 31 March 2017
			Exchange differences on translation of foreign operations	Exchange differences on translation of foreign operations				Charge for the period	Exchange differences on translation of foreign	Deductions during the period	
Tangible assets											
Computers	-	1,103,146	-	-	-	1,103,146	-	330,944	-	-	772,202
Furniture and fixtures	-	1,611,459	-	-	-	1,611,459	-	80,573	-	-	1,530,886
Total	-	2,714,605	-	-	-	2,714,605	-	411,517	-	-	2,303,088

Notes :

- Nil amount of borrowing cost is capitalised during the current period.
- Nil amount of impairment loss is recognised during the current period.
- Exchange differences on translation of foreign operations includes the exchange fluctuation of Rs Nil on gross block and Rs Nil on accumulated depreciation due to translation of tangible assets a of foreign branch at closing exchange rate.



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian Rupees)

Particulars	For the period beginning 28 November 2016 to 31 March 2017
12. Other income	
Foreign exchange gain (net)	135,940
	<u>135,940</u>
13. Cost of construction materials, stores and spare parts	
Construction materials, stores and spare parts	
Inventory of materials at the beginning of the period	-
Add: Purchase of material during the period	7,004,070
Inventory of materials at the end of the period	7,004,070
	<u>-</u>
14. Change in inventory of project work-in-progress	
Opening Inventory	-
Closing Inventory	13,518,011
	<u>(13,518,011)</u>
15. Direct project costs	
Communication expenses	35,166
Stores and spare parts consumed	34,911
Commission expenses	511,130
Legal and professional fees	1,324,428
Printing and stationery expenses	245,276
Repairs and maintenance - others	54,619
Traveling and conveyance expenses	1,882,535
Rent (refer note 27)	1,660,162
Electricity, power and fuel	13,128
Donation	97,050
Bank charges	826,949
Miscellaneous expenses	92,165
	<u>6,777,519</u>
Employee benefits expense	
Salaries, wages and bonus	5,155,040
Contribution to provident fund and other funds	698,688
Staff welfare expenses	10,402
	<u>5,864,130</u>
Sub-contractor expenses	876,362
	<u>13,518,011</u>



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian Rupees)

Particulars	For the period beginning 28 November 2016 to 31 March 2017
16. Other expenses	
Legal and professional fees	258,800
Payment to auditors (refer note below)	100,000
	<u>358,800</u>
Payment to Auditors'	
As auditor	
- statutory audit	100,000
	<u>100,000</u>



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian rupees)

17. Disclosures under the Accounting Standard 7 - 'Construction contracts'

Particulars	For the period beginning 28 November 2016 to 31 March 2017
a) Contract revenue	-
b) Disclosure for contracts in progress:	
(i) Aggregate amount of costs incurred	20,522,081
(ii) Recognized profits (less recognised losses)	-
(iii) Advances received	36,498,952
c) Gross amount due from customers for contract work	-
d) Gross amount due to customers	-
e) Retention due from customers	-

18. Contingent liabilities and commitments

Contingent liabilities	31 March 2017
Claims against the Partnership firm not acknowledged as debts	Nil
Commitments	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil

In addition, the Partnership firm is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Partners' of the firm 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 financial statements. The Partners' does not reasonably expect that these legal notices, when ultimately concluded and determined, will have a material and adverse effect on Partnership firm's results of operations or financial condition.

19. Related party disclosures

A Related parties and their relationship

In accordance with the requirements of AS -18 " Related Party Disclosures", following are the details of the transactions during the period with the related parties of the partnership firm

Name of the related party	Nature of relationship
Shapoorji Pallonji and Company Private Limited	Partner
Sterling and Wilson Private Limited	Partner
Astronergy Solar India Private Limited	Partner
Sterling and Wilson International FZE	Entities over which Partner exercise control

B Transactions and balances with related parties

Related party	Nature of transaction	For the period beginning 28 November 2016 to 31 March 2017
Sterling and Wilson Private Limited	Bank Charges	550,773
Sterling and Wilson Solar Private Limited (formerly known as Rashmika Energy Private Limited)	Reimbursement of expenses	15,241,335
		31 March 2017
Sterling and Wilson Solar Private Limited (formerly known as Rashmika Energy Private Limited)	Payable for expenses	15,241,335
Sterling and Wilson Private Limited	Share in loss of partnership firm	623,282
Shapoorji Pallonji and Company Private Limited	Share in loss of partnership firm	33,874
Astronergy Solar India Private Limited	Share in loss of partnership firm	20,324



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (Continued)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian rupees)

20. Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available the management, there are outstanding dues of Rs Nil to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in following disclosure:

	31 March 2017
Principal amount remaining unpaid to any supplier as at the period	Nil
Interest due thereon	Nil
Amount of interest paid by the Partnership firm in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting period	Nil

21. Segment reporting

The Partnership firm is engaged in solar and renewable energy solutions which is the primary business segment. The Partnership firm has only one reportable business segment, which is solar and renewable energy solutions and only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17 on Operating Segments.

Geographical segment information

The secondary segment of the partnership firm is based on revenue generated from the geographical locations, that is within India (Domestic) and outside India (Offshore). The partnership firm's business is mainly in the offshore market and Domestic turnover being Nil of the total turnover of the partnership firm, hence separate geographical segment information has not been given in the financial statements.

22. Operating lease

The partnership firm has taken office premises on non-cancellable operating leases. The future minimum lease payments in respect of office premises as on 31 March 2017 is as follows:

Particulars	31 March 2017
Lease payments recognised in the Statement of profit and loss and transferred to Project work-in-progress	1,660,162
Future minimum lease payments under non-cancellable operating leases :	
Due not later than one year	7,376,614
Due later than one year but not later than five years	-
Later than five years	-
Minimum lease payment	9,036,777



Sterling Wilson-SPCPL-Chint Moroccan Venture

Notes to the financial statements (*Continued*)

for the period beginning 28 November 2016 to 31 March 2017

(Currency : Indian rupees)

23. Unhedged foreign currency exposure

The unhedged foreign currency exposure as at 31 March 2017 is given below:

Particulars	31 March 2017	
	In Foreign currency	In Indian Rupees
Bank Balance		
US Dollars	2,130,889	13,602,103
Moroccan Dirhams	776,894	4,959,146
Cash on hand		
Moroccan Dirhams	38,678	246,895

24. Earnings and expenditure in foreign currency

Particulars	For the period beginning 28 November 2016 to 31 March 2017	
	In Foreign currency	In Indian Rupees
(a) Expenditure in foreign currency (on accrual basis)		
- Project expenditure		13,518,011
- Purchase of fixed assets		2,714,605
(b) Value of imports calculated on CIF basis		
- Construction materials		7,004,070

25. Prior period comparatives

The Partnership firm was incorporated on 28 November 2016. As these are the first financial statements of the partnership firm, prior period comparatives are not applicable.

As per our report of even date attached.

For BSR & Co. LLP

~~Chartered Accountants~~

Firm's Registration No: 101248W/W-100022

Aniruddha Godbole

Partner

Membership No: 105149

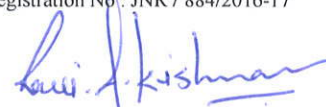
Mumbai

07 SEP 2017

For and on behalf of Partnership Firm

Sterling Wilson-SPCPL-Chint Moroccan Venture

Firm Registration No: JNR / 884/2016-17



Ravi Ananthakrishnan

Authorised signatory for managing Partner
(Sterling and Wilson Private Limited)

Mumbai

07 SEP 2017