



February 12, 2021


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

**Sub.: Outcome of the Board Meeting of Sterling and Wilson Solar Limited** (“the Company”)

**Ref.: Regulation 30 read with Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015** (“Listing Regulations”)

Dear Sir/ Madam,

Pursuant to the Listing Regulations, we wish to inform you that the Board of Directors of the Company at its meeting held today i.e. Friday, February 12, 2021, *inter alia* considered and approved the Unaudited Consolidated and Standalone Financial Results of the Company for the quarter ended December 31, 2020 along with the Limited Review Report issued by the Statutory Auditors of the Company. The same is enclosed herewith.

The Board meeting commenced at 04:30 p.m. and concluded at 08:10 p.m. 

The above is for your information and records.

Thanking you.

Yours faithfully,

**For Sterling and Wilson Solar Limited**

**Jagannadha Rao Ch. V.**

**Company Secretary and Compliance Officer**



Encl.: As above

# B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center,  
Western Express Highway,  
Goregaon (East), Mumbai – 400063

Telephone: +91 22 6257 1000  
Fax: +91 22 6257 1010

## Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of Sterling and Wilson Solar Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Sterling and Wilson Solar Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended and year-to-date results for the period from 1 April 2020 to 31 December 2020 (“the Statement”), attached herewith, in which are incorporated returns from branches in Australia, Argentina, Chile, Dubai, Egypt, Indonesia, Jordan, Kenya, Mexico, Morocco, Namibia, Philippines, Vietnam and Zambia, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes results of the following entities:

Name of the Entity	Relationship
Sterling & Wilson – Waaree Private Limited	Wholly owned subsidiary
Esterlina Solar Engineers Private Limited	Wholly owned subsidiary
Sterling and Wilson International Solar FZCO	Wholly owned subsidiary
Sterling and Wilson Singapore Pte. Ltd.	Wholly owned subsidiary
Sterling and Wilson Kazakhstan LLP	Wholly owned subsidiary
Sterling and Wilson International LLP	Wholly owned subsidiary
Sterling and Wilson Solar Solutions Inc	Wholly owned subsidiary
Sterling and Wilson Solar Solutions LLC	Wholly owned subsidiary

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP  
(a Limited Liability Partnership, with LLP Registration No. AAB-3131) with effect from October 14, 2013

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400063

## Sterling and Wilson Solar Limited

### Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Continued*)

4. The Statement includes results of the following entities: (*Continued*)

Name of the Entity	Relationship
Sterling and Wilson Brasil Servicos Ltda (upto 26 August 2019)	Wholly owned subsidiary
Sterling and Wilson (Thailand) Limited	Wholly owned subsidiary
Sterling and Wilson Saudi Arabia Limited	Wholly owned subsidiary
Sterling and Wilson Solar Australia Pty. Ltd. (w.e.f. 16 April 2019)	Wholly owned subsidiary
Sterling and Wilson Solar Malaysia Sdn. Bhd. (w.e.f. 4 June 2019)	Subsidiary
Sterling Wilson-SPCPL-Chint Moroccan Venture	Subsidiary
Sterling and Wilson Middle East Solar Energy LLC	Subsidiary
GCO Solar Pty Ltd. ( <i>formerly known as GCO Electrical Pty Ltd.</i> )	Subsidiary
Sterling and Wilson Engineering (Pty) Ltd	Subsidiary
Sterling and Wilson Solar Spain S.L. ( <i>formerly known as Renewable Energia Contracting S.L.</i> )	Subsidiary
Sterling and Wilson Solar LLC	Subsidiary

### Basis for Qualified Conclusion

5. We draw attention to the following matters:

- (i) note 5 to the unaudited consolidated financial results relating to outstanding inter-corporate deposits and loans of Rs. 575.34 crores and Rs 614.96 crores (net) respectively (including interest accrued on inter-corporate deposits of Rs. 53.80 crores and on loans of Rs 100.30 crores) as at 31 December 2020. This amount is the balance of inter-corporate deposits of Rs 1,765.02 crores (including interest accrued thereon of Rs 173.56 crores) and loans of Rs 576.51 crores (net) (including interest accrued thereon of Rs 75.81 crores) that were outstanding as on 30 September 2019 made to fellow subsidiaries by the Group which were to be repaid within 90 days period from the date of listing as stated in the Red Herring Prospectus for the purpose of Offer of Sale to public of the Parent's shares by the Selling Shareholders. The Board of Directors of the Parent had in December 2019 extended the repayment period at the request of the Selling Shareholders with enhanced rate of interest. Thereafter considering the current economic slowdown and the challenges to their business due to COVID, the Selling Shareholders made a further request on 15 September 2020 to extend the timelines for payment till 30 September 2021. The Board of Directors in their meeting held on 15 September 2020 have approved further extension of the repayment timelines up to 30 September 2021 and levied an additional interest spread of 400 basis points p.a. over the average interest rate on borrowings of the respective entities of the Group.

The Parent has received queries from SEBI, Registrar of Companies, Mumbai (ROC) and certain shareholders regarding matters connected with delay in facilitating repayment of inter-corporate deposits and loans by the Selling Shareholders on which the Parent has submitted its replies. Until the final conclusions are received from the regulators, we cannot ascertain the impact of non-compliance with laws and regulations, if any, by the Parent. Although the Parent has represented to us that, based on independent legal opinions obtained by it, it is of the view that there is no non-compliance with any laws and regulations by the Group in respect of this matter, in our opinion, there exists a possibility for a contrary view in the matter.

## Sterling and Wilson Solar Limited

### **Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

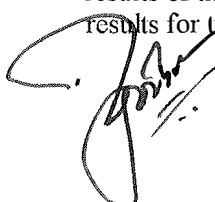
#### **Basis for Qualified Conclusion (Conclusion)**

The Parent has obtained partial security and efforts are being made to obtain security for the remaining amount after obtaining necessary approvals. In view of the steps taken/being taken by the Parent as discussed in the said note, management believes that no provision towards expected credit losses is required as at 31 December 2020. In our view, however, a provision for expected credit losses on the amounts overdue should be estimated by the management.

As a result of the above, we are unable to quantify the impact of the non-compliance with laws and regulations, if any, in particular for delay in the repayment by borrowers of inter-corporate deposits and loans in the earlier quarters and default in repayment of instalments of inter-corporate deposits and loans due in the nine months period ended 31 December 2020 in the absence of final conclusions from the regulators in this regard; the uncertainty regarding the timing of repayment of outstanding inter-corporate deposits and loans by the borrowers; and adjustments that may arise from the aforementioned matters including non-measurement of expected credit losses on inter-corporate deposits on the unaudited consolidated financial results of the Group for the quarter ended 31 December 2020 and year-to-date results for the period from 1 April 2020 to 31 December 2020.

- (ii) the following qualification included in the review report on the unaudited consolidated financial results of Sterling and Wilson International Solar FZCO, an overseas subsidiary of the Parent, for the quarter ended and year-to-date results for the period from 1 April 2020 to 31 December 2020 issued by the independent auditors vide their report dated 11 February 2021 is reproduced by us as under:

The unaudited consolidated financial results of the overseas subsidiary of the Parent includes a loan along with accrued interest due from a related party in the amount of AED 309,645,723 (net) equivalent to Rs 614.96 crores (net), which was repayable on demand. The Board of the overseas subsidiary has received a request from the ultimate Promoters of the related party to extend the repayment timeline, in lieu of obtaining security to cover the amount outstanding and also levy penal interest. Accordingly, the Board of the overseas subsidiary has taken a decision to extend the repayment timelines till September 2021 and levy additional penal interest. Further, on behalf of the overseas subsidiary, the Parent in India has obtained partial security for the aforesaid amount due to the overseas subsidiary, and efforts are ongoing to fully secure this receivable. Considering the steps taken/being taken by the overseas subsidiary, the management believes that no provision for expected credit losses is required as at 31 December 2020. In our view, however, a provision for expected credit losses on the amounts overdue should be estimated by the management. As a result of the uncertainty relating to timing of repayment of the outstanding balance we are unable to quantify the impact of adjustments that may arise from non-measurement of expected credit losses on the unaudited consolidated financial results of the overseas subsidiary for the quarter ended 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 2020.



## Sterling and Wilson Solar Limited

### Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Continued*)

#### Qualified Conclusion

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 8 below, except for the effects of the matters described in the *Basis for Qualified Conclusion* section above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### Material Uncertainty Related to Going Concern

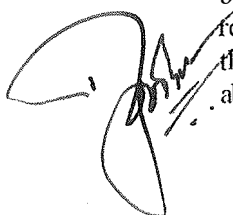
7. We draw attention to Note 8 to the unaudited consolidated financial results, which indicates that Shapoorji Pallonji and Company Private Limited, the Holding Company, has applied to its lenders for the One Time Restructuring ('OTR') facility, resulting in its credit rating downgrade as well as that of the Parent during the current quarter which has impacted the Group's ability to fully utilise its existing banking limits, rollover existing facilities and/or obtain fresh banking limits. Particularly, during the last three months and the period from 1 January 2021 to the date of this report, there is a decrease in the net short-term borrowings of the Group. As a result, the Group is facing uncertainty related to funding for cash outflows in respect of timely repayment of borrowings and other activities. These conditions, along with other matters as stated in the said note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

However, in the opinion of the Parent, based on the projected financial results for the next 12 months prepared by the management of the Parent and approved by the Board of Directors, the order book, the existing financing arrangements and the proposed repayment by Sterling and Wilson Private Limited and Sterling and Wilson International FZE, the Group will be able to realise its assets and discharge its liabilities in its normal course of business and hence the unaudited consolidated financial results have been prepared on a going concern basis.

Our conclusion is not modified in respect of this matter.

#### Other Matters

8. We did not review the interim financial information of 15 branches included in the unaudited standalone interim financial information of the entities included in the Group, whose interim financial information reflect total revenues (before consolidation adjustments) of Rs 400.66 crores and Rs 874.17 crores, total net profit after tax (before consolidation adjustments) of Rs 0.51 crores and Rs 68.27 crores and total comprehensive income (before consolidation adjustments) of Rs 3.99 crores and Rs 66.05 crores for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020 respectively, as considered in the respective unaudited standalone interim financial information of the entities included in the Group. The interim financial information of these branches have been reviewed by the branch auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors and the procedures performed by us as stated in paragraph 3 above.



## Sterling and Wilson Solar Limited

### **Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

#### **Other Matters (Continued)**

We did not review the interim financial information of nine subsidiaries included in the Statement, whose interim financial information reflect total revenues (before consolidation adjustments) of Rs 583.27 crores and Rs 2,160.56 crores, total net (loss) / profit after tax (before consolidation adjustments) of Rs 7.22 crores and Rs 16.55 crores and total comprehensive (loss) (before consolidation adjustments) of Rs 52.28 crores and Rs 24.72 crores for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020 respectively, as considered in the unaudited consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, 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 paragraph 3 above.

Certain of these branches and subsidiaries referred to above are located outside India whose interim financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been reviewed by the branch auditors and other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the interim financial information 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 reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the amounts and disclosures included in respect of these 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 Parent and reviewed by us.

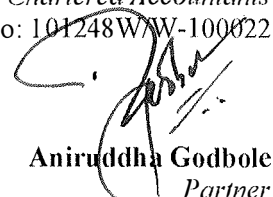
Our conclusion on the Statement is not modified in respect of the above matters.

9. The Statement includes the interim financial information of seven subsidiaries which have not been reviewed, whose interim financial information reflect total revenues (before consolidation adjustments) of Rs Nil crores and Rs Nil crores, total net (loss) after tax (before consolidation adjustments) of Rs 1.84 crores and Rs 5.23 crores and total comprehensive (loss) (before consolidation adjustments) of Rs 1.82 crores and Rs 5.54 crores for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020 respectively, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

Mumbai  
12 February 2021

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



**Aniruddha Godbole**  
Partner

Membership No: 105149  
UDIN: 21105149AAAABC2776

## Sterling and Wilson Solar Limited

CIN:U74999MH2017PLC292281

Registered Office: 9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur West, Mumbai 400 043.

## Statement Of Unaudited Consolidated Financial Results For The Quarter And Nine Months Ended December 31, 2020

(₹ in crore)

Sr No.	Particulars	For the quarter ended			For the nine months ended		Year ended
		31-Dec-20 (Unaudited)	30-Sep-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Mar-20 (Audited)
1	<b>Income</b>						
	Revenue from operations	1,311.73	1,336.63	1,076.38	3,716.26	3,514.66	5,575.29
	Other income	35.91	39.31	106.90	106.70	243.61	303.49
	<b>Total Income</b>	<b>1,347.64</b>	<b>1,375.94</b>	<b>1,183.28</b>	<b>3,822.96</b>	<b>3,758.27</b>	<b>5,878.78</b>
2	<b>Expenses</b>						
	Cost of construction materials, stores and spare parts	605.06	759.02	778.89	1,999.83	2,192.66	3,589.30
	Direct project costs	612.93	461.06	213.86	1,391.92	860.17	1,270.99
	Employee benefits expense	49.73	53.65	56.91	153.06	170.93	240.27
	Finance costs	23.11	22.42	50.93	70.16	164.00	194.93
	Depreciation and amortisation expense	3.88	3.73	3.76	11.50	10.80	14.23
	Other expenses	29.57	58.54	16.86	136.07	120.30	170.56
	<b>Total expenses</b>	<b>1,324.28</b>	<b>1,358.42</b>	<b>1,121.21</b>	<b>3,762.54</b>	<b>3,518.86</b>	<b>5,480.28</b>
3	<b>Profit before tax</b>	<b>23.36</b>	<b>17.52</b>	<b>62.07</b>	<b>60.42</b>	<b>239.41</b>	<b>398.50</b>
4	<b>Tax expense</b>						
	- Current tax	3.94	2.84	13.00	7.97	57.91	98.51
	- Current tax relating to earlier period / year	(0.00)	0.11	(0.28)	0.11	(0.28)	(0.04)
	- Deferred tax (credit) / charge	(3.03)	(0.52)	(0.92)	(2.42)	6.09	(4.24)
5	<b>Profit for the period / year</b>	<b>22.45</b>	<b>15.09</b>	<b>50.27</b>	<b>54.76</b>	<b>175.69</b>	<b>304.27</b>
6	<b>Other comprehensive income for the period / year</b>						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of defined benefit liability	(0.46)	(0.45)	(0.15)	(1.37)	(0.45)	(3.25)
	- Income tax relating to items that will not be reclassified to profit or loss	0.11	0.12	0.04	0.34	0.12	0.46
	Items that will be reclassified to profit or loss						
	- Exchange differences in translating financial statements of foreign operations	(24.95)	(16.38)	2.69	(40.49)	13.58	49.71
	- Effective portion of (losses) on hedging instruments in cash flow hedges	(104.06)	(1.77)	-	(169.24)	-	-
	- Income tax relating to items that will be reclassified to profit or loss	15.56	6.61	-	34.04	-	-
	<b>Other comprehensive (loss) / income for the period / year (net of tax)</b>	<b>(113.80)</b>	<b>(11.87)</b>	<b>2.58</b>	<b>(176.72)</b>	<b>13.25</b>	<b>46.92</b>
7	<b>Total comprehensive (loss) / income for the period / year</b>	<b>(91.35)</b>	<b>3.22</b>	<b>52.85</b>	<b>(121.96)</b>	<b>188.94</b>	<b>351.19</b>
8	<b>Profit / (loss) for the period / year attributable to:</b>						
	- Owners of the Company	21.63	23.42	49.61	61.47	177.78	310.06
	- Non-controlling interests	0.82	(8.33)	0.66	(6.71)	(2.09)	(5.79)
9	<b>Other comprehensive (loss) / income for the period / year (net of tax) attributable to:</b>						
	- Owners of the Company	(113.36)	(10.98)	3.26	(174.71)	13.74	46.01
	- Non-controlling interests	(0.44)	(0.89)	(0.68)	(2.01)	(0.49)	0.91
10	<b>Total comprehensive (loss) / income for the period / year attributable to:</b>						
	- Owners of the Company	(91.73)	12.44	52.87	(113.24)	191.52	356.07
	- Non-controlling interests	0.38	(9.22)	(0.02)	(8.72)	(2.58)	(4.88)
11	Paid-up equity share capital (face value ₹ 1/-)	16.04	16.04	16.04	16.04	16.04	16.04
12	Other equity						1,064.92
13	Earnings per equity share (EPS) (of ₹ 1 each) (not annualised)						
	(a) Basic	1.35	1.46	3.09	3.83	11.09	19.33
	(b) Diluted	1.35	1.46	3.09	3.83	11.09	19.33
	See accompanying notes to the unaudited consolidated financial results						





**Sterling and Wilson Solar Limited**

CIN:U74999MH2017PLC292281

Registered Office: 9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur West, Mumbai 400 043.

**Unaudited Consolidated Segment-Wise Revenue, Assets, Liabilities And Capital Employed For The Quarter And Nine Months Ended December 31, 2020**

Particulars	For the quarter ended			For the nine months ended		Year ended
	31-Dec-20 (Unaudited)	30-Sep-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Mar-20 (Audited)
<b>(₹ in crore)</b>						
<b>Segment Revenue</b>						
Solar EPC business	1,250.91	1,278.77	1,018.06	3,534.12	3,378.75	5,391.28
Operation and maintenance service	58.94	57.84	54.30	180.24	131.70	183.54
<b>Total</b>	<b>1,309.85</b>	<b>1,336.61</b>	<b>1,072.36</b>	<b>3,714.36</b>	<b>3,510.45</b>	<b>5,574.82</b>
Other operating income	1.88	0.02	4.02	1.90	4.21	0.47
<b>Revenue from operations</b>	<b>1,311.73</b>	<b>1,336.63</b>	<b>1,076.38</b>	<b>3,716.26</b>	<b>3,514.66</b>	<b>5,575.29</b>
<b>Segment Results</b>						
Solar EPC business	68.07	83.48	66.73	235.00	404.37	657.28
Operation and maintenance service	19.84	16.25	12.88	66.47	53.25	88.73
<b>Total</b>	<b>87.91</b>	<b>99.73</b>	<b>79.61</b>	<b>301.47</b>	<b>457.62</b>	<b>746.01</b>
Add: Unallocable income	35.15	36.58	110.92	101.76	247.82	255.09
Less: Unallocable expenditure	(99.70)	(118.79)	(128.46)	(342.81)	(466.03)	(602.60)
<b>Total profit before tax</b>	<b>23.36</b>	<b>17.52</b>	<b>62.07</b>	<b>60.42</b>	<b>239.41</b>	<b>398.50</b>
<b>Segment Assets</b>						
Solar EPC business	2,030.73	2,006.99	2,677.94	2,030.73	2,677.94	2,898.68
Operation and maintenance service	139.42	137.77	86.45	139.42	86.45	116.79
Unallocated	2,085.95	2,158.32	2,374.34	2,085.95	2,374.34	2,019.01
<b>Total</b>	<b>4,256.10</b>	<b>4,303.08</b>	<b>5,138.73</b>	<b>4,256.10</b>	<b>5,138.73</b>	<b>5,034.48</b>
<b>Segment Liabilities</b>						
Solar EPC business	2,116.32	2,049.17	2,515.76	2,116.32	2,515.76	2,528.75
Operation and maintenance service	78.87	72.70	47.53	78.87	47.53	24.07
Unallocated	1,110.19	1,139.17	1,549.58	1,110.19	1,549.58	1,409.06
<b>Total</b>	<b>3,305.38</b>	<b>3,261.04</b>	<b>4,112.87</b>	<b>3,305.38</b>	<b>4,112.87</b>	<b>3,961.88</b>
<b>Capital Employed (Segment Assets - Segment Liabilities)</b>						
Solar EPC business	(85.59)	(42.18)	162.18	(85.59)	162.18	369.93
Operation and maintenance service	60.55	65.07	38.92	60.55	38.92	92.72
Unallocated	975.76	1,019.15	824.76	975.76	824.76	609.95
<b>Total</b>	<b>950.72</b>	<b>1,042.04</b>	<b>1,025.86</b>	<b>950.72</b>	<b>1,025.86</b>	<b>1,072.60</b>





**Statement Of Unaudited Consolidated Financial Results For The Quarter And Nine Months Ended December 31, 2020**

**Notes :**

- 1 The above unaudited consolidated financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 12, 2021. These unaudited consolidated financial results have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The above unaudited consolidated financial results have been subjected to "limited review" by the statutory auditors of the Parent. There are qualifications as well as a reference to material uncertainty relating to going concern paragraph in the review report for the quarter and nine months ended December 31, 2020.
- 3 Financial results of Sterling and Wilson Solar Limited (Standalone information):

(₹ in crore)

Particulars	For the quarter ended			For the nine months ended		Year ended
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
Total Income	824.62	499.09	959.83	1,977.60	3,266.52	4,900.33
Profit / (Loss) before tax	33.35	(19.03)	41.83	(2.47)	195.75	424.43
Profit / (Loss) for the period / year	22.69	(18.12)	30.38	(8.78)	133.05	311.44

- 4 The Group is primarily engaged in the business of complete Turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Solar Power projects. The Parent's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on financial information for Solar EPC business and Solar Operation and maintenance service. Accordingly, the Group 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.

The financial information of these segments has been provided in the unaudited consolidated financials results as per Ind AS 108.

- 5 The Red Herring Prospectus dated 29 July 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 Parent and its subsidiary company by 18 November 2019. The Selling Shareholders pursuant to their letter dated 14 November 2019 however requested the Board of Directors of the Parent and its subsidiary to consider a revised payment schedule for the outstanding inter-corporate deposits/ loans of Rs 2,341.53 crore (net) (including interest thereon of Rs. 249.37 crore) as at 30 September 2019 with additional interest of 50 basis points per annum.

The Board of Directors in their meeting held on 31 December 2019 had considered the revised payment schedule of the outstanding inter-corporate deposits/ loans of Rs 1,650.84 crore (net) (including accrued interest thereon of Rs. 115.53 crore) as at that date, in three quarterly installments of Rs 500.00 crore by 31 March 2020, Rs 500.00 crore by 30 June 2020 and balance amount by 30 September 2020 (which would include further accruals of interest beyond 31 December 2019).

Considering the current economic slowdown and the challenges which the selling shareholders (promoter group) are facing due to their business being significantly impacted by COVID-19, the selling shareholders made a further request to extend the time lines for payment of the outstanding of Rs. 1,167.36 (net) (including principal and interest and includes an amount outstanding of overseas subsidiary amounting to Rs 607.07 crore (net)) as at 30 September 2020 till 30 September 2021. The Board of Directors has taken a decision to extend the repayment timelines till September 2021 and levy additional interest spread of 400 basis points over and above the average interest rate. The Selling Shareholders have provided immovable properties as security worth about Rs. 460.00 crore and are in the process of perfecting securities of Rs 740.00 crore, after obtaining necessary approvals, making the total security package of Rs 1,200.00 crore. The Selling Shareholders have already facilitated the repayment of inter-corporate deposits/ loans amounting to Rs 1,619.32 crore by the fellow subsidiary to the Parent and its subsidiary, from the date of listing i.e. 20 August 2019 till 31 December 2020. In view of the steps taken/being taken by the Parent, management believes that no provision towards expected credit losses is required as at 31 December 2020 for inter-corporate deposits / loans are outstanding aggregating to Rs 1,190.30 crore (including interest accrued thereon).

The Parent has also responded to queries on this matter (including from Shareholders, SEBI, ROC and media reports). The Parent, 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 Parent, in respect of this matter.



## Sterling and Wilson Solar Limited

CIN:U74999MH2017PLC292281

Registered Office: 9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur West, Mumbai-400 043.

## Statement Of Unaudited Consolidated Financial Results For The Quarter And Nine Months Ended December 31, 2020

## Notes : (Continued)

- 6 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. During the quarter and nine months ended December 31, 2020, the construction activities at various sites in India and outside India were stalled as per the directives issued by various regulatory authorities. Subsequently, the construction activities have resumed at various sites gradually in a phased manner based on the directives issued by regulatory authorities and by ensuring compliance with preventive measures in terms of various guidelines issued by such regulatory authorities.

The Parent believes that the current level of operations are temporary in nature and therefore this may not result in any significant financial impact on the Group. The management has considered internal and external sources up to the date of approval of these unaudited consolidated financial results, in assessing the assets, liquidity, financial position and operations of the Group including impact on estimated costs to be incurred towards projects under execution and believes that carrying value of all assets are fully recoverable.

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 unaudited consolidated financial results, and this will continue to be monitored in future periods.

- 7 The Board of Directors of the Parent at their meeting held on 16 March 2020 has approved the "Scheme of Arrangement" ('the Scheme') for merger of the Sterling & Wilson - Warree Private Limited ('SWWPL') with the Parent subject to obtaining necessary approvals from the applicable statutory authorities. Subsequently, the Parent has completed e-filing of the application for the said Scheme with National Company Law Tribunal ('NCLT') on 5 August 2020. The final hearing on petition for sanction of the Scheme before the Mumbai bench of NCLT took place on 29 January 2021 and the Scheme was approved by the NCLT. However, the Parent has not received the final order till date. Accordingly, the impact for merger of SWWPL with the Parent as required under Para 9(iii) of Appendix C of Ind AS 103 has not been given in the unaudited consolidated financial results for the quarter and nine months period ended December 31, 2020.

- 8 Shapoorji Pallonji and Company Private Limited, the Holding company, has applied to its lenders for a One Time Restructuring ('OTR') facility, resulting in its credit rating downgrade as well as that of the Parent in the current quarter. This has impacted the ability of the Group to fully utilise its existing banking limits and / or obtain fresh banking limits and roll over of existing facilities. The Group's short term borrowings have seen a net reduction of Rs 242.47 crores from 1 April 2020 to 31 December 2020, which has further reduced by Rs 214.00 crores till 11 February 2021. As a result, subsequent to the reporting date, the Group is facing challenges related to obtaining funding for cash outflows in respect of timely repayment of borrowings and other activities. As per the requirements of generally accepted accounting principles, the aforementioned events or conditions indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group believes that it is a going concern and has therefore prepared the unaudited consolidated financial results on a going concern basis given its positive net worth, a favourable net current asset position and positive operating cash flows for the period ended 31 December 2020 and is confident that it can tide over the current issues till the time the OTR for Shapoorji Pallonji and Company Private Limited is not approved. Further, the Parent's management and the Board of Directors have made an assessment, of the Group's ability to continue as a going concern based on the projected financial results for the next 12 months, and are satisfied that the strong order book, the positive operating cash flows, the existing financing arrangements and the proposed repayment by Sterling and Wilson Private Limited and Sterling and Wilson International FZE will enable the Group to continue its business in the foreseeable future, so as to be able to realise its assets and discharge its liabilities in its normal course of business.

- 9 The results of the Group are available for investors at [www.sterlingandwilsonsolar.com](http://www.sterlingandwilsonsolar.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

BY ORDER OF THE BOARD OF DIRECTORS  
For Sterling and Wilson Solar Limited



Mr. Khurshed Daruvala  
Chairman  
DIN: 00216905

Date : February 12, 2021  
Place : Mumbai



# B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center,  
Western Express Highway,  
Goregaon (East), Mumbai – 400063

Telephone: +91 22 6257 1000  
Fax: +91 22 6257 1010

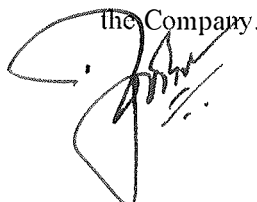
## **Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Sterling and Wilson Solar Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sterling and Wilson Solar Limited ('the Company') for the quarter ended and year to date results for the period from 1 April 2020 to 31 December 2020 ('the Statement'), attached herewith, in which are incorporated returns from branches in Australia, Argentina, Chile, Dubai, Egypt, Indonesia, Jordan, Kenya, Mexico, Namibia, Philippines, Vietnam and Zambia.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

#### **Basis for Qualified Conclusion**

4. We draw attention to note 4 to the unaudited standalone financial results relating to outstanding inter-corporate deposits of Rs 562.51 crores (including interest accrued thereon of Rs 51.72 crores) as at 31 December 2020. This amount is the balance of inter-corporate deposits of Rs 1,727.18 crores (including interest accrued thereon of Rs 170.82 crores) that were outstanding as on 30 September 2019 made to a fellow subsidiary by the Company which were to be repaid within 90 days period from the date of listing as stated in the Red Herring Prospectus for the purpose of Offer of Sale to public of the Company's shares by the Selling Shareholders. The Board of Directors of the Company had in December 2019 extended the repayment period at the request of the Selling Shareholders with enhanced rate of interest. Thereafter, considering the current economic slowdown and the challenges to their business due to COVID, the Selling Shareholders made a further request on 15 September 2020 to extend the timelines for payment till 30 September 2021. The Board of Directors in their meeting held on 15 September 2020 have approved further extension of the repayment timelines up to 30 September 2021 and levied an additional interest spread of 400 basis points p.a. over the average interest rate on borrowings of the Company.



## Sterling and Wilson Solar Limited

### **Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

#### **Basis for Qualified Conclusion (Continued)**

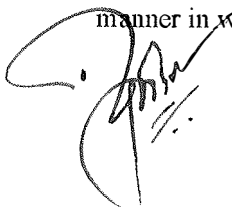
The Company has received queries from SEBI, Registrar of Companies, Mumbai (ROC) and certain shareholders regarding matters connected with delay in facilitating repayment of inter- corporate deposits by the Selling Shareholders on which the Company has submitted its replies. Until the final conclusions are received from the regulators, we cannot ascertain the impact of non-compliance with laws and regulations, if any, by the Company. Although the Company has represented to us that, based on independent legal opinions obtained by it, it is of the view that there is no non- compliance with any laws and regulations by the Company in respect of this matter, in our opinion, there exists a possibility for a contrary view in the matter.

The Company has obtained partial security and efforts are being made to obtain security for the remaining amount after obtaining necessary approvals. In view of the steps taken/being taken by the Company as discussed in the said note, management believes that no provision towards expected credit losses is required as at 31 December 2020. In our view, however, a provision for expected credit losses on the amounts overdue should be estimated by the management.

As a result of the above, we are unable to quantify the impact of the non-compliance with laws and regulations, if any, in particular for delay in the repayment by borrower of inter-corporate deposits in the earlier quarters and default in repayment of instalments of inter-corporate deposits due in the nine months period ended 31 December 2020 in the absence of final conclusions from the regulators in this regard; the uncertainty regarding the timing of repayment of outstanding inter-corporate deposits by the borrower; and adjustments that may arise from the aforementioned matters including non-measurement of expected credit losses on inter-corporate deposits on the unaudited standalone financial results of the Company for the quarter ended 31 December 2020 and year-to-date results for the period from 1 April 2020 to 31 December 2020.

#### **Qualified Conclusion**

5. Based on our review conducted as above and based on the consideration of the review reports of the branch auditors referred to in paragraph 7 below, except for the effects of the matters described in the *Basis for Qualified Conclusion* section above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



## Sterling and Wilson Solar Limited

### **Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Continued*)**

#### **Material Uncertainty Related to Going Concern**

6. We draw attention to Note 7 to the unaudited standalone financial results, which indicates that Shapoorji Pallonji and Company Private Limited, the Holding Company, has applied to its lenders for the One Time Restructuring ('OTR') facility, resulting in its credit rating downgrade as well as that of the Company during the current quarter which has impacted the Company's ability to fully utilise its existing banking limits, rollover existing facilities and/or obtain fresh banking limits. Particularly, during the last three months and the period from 1 January 2021 to the date of this report, there is a decrease in the net short-term borrowings of the Company. As a result, the Company is facing uncertainty related to funding for cash outflows in respect of timely repayment of borrowings and other activities. These conditions, along with other matters as stated in the said note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

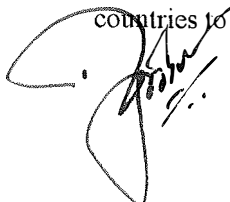
However, in the opinion of the Company, based on the projected financial results for the next 12 months prepared by the management of the Company and approved by the Board of Directors, the order book, the existing financing arrangements and the proposed repayment by Sterling and Wilson Private Limited, the Company will be able to realise its assets and discharge its liabilities in its normal course of business and hence the unaudited standalone financial results have been prepared on a going concern basis.

Our conclusion is not modified in respect of this matter.

#### **Other Matters**

7. We did not review the interim financial information of 14 branches included in the unaudited standalone financial results of the Company, whose interim financial information reflect total revenues (before consolidation adjustments) of Rs 400.66 crores and Rs 874.17 crores, total net profit after tax (before consolidation adjustments) of Rs 3.19 crores and Rs 64.58 crores and total comprehensive income (before consolidation adjustments) of Rs 3.19 crores and Rs 64.58 crores for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020 respectively, as considered in the unaudited standalone financial results of the Company. The interim financial information of these branches have been reviewed by the branch auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors and the procedures performed by us as stated in paragraph 3 above.

Certain of these branches referred to above are located outside India whose interim financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been reviewed by the branch auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the interim financial information of such branches located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India.



## Sterling and Wilson Solar Limited

### **Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Sterling and Wilson Solar Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 *(Continued)***

#### **Other Matters *(Continued)***

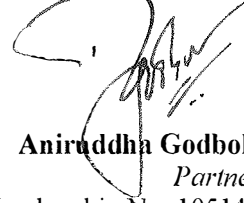
We have reviewed these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches located outside India is based on the report of such branch auditors and the conversion adjustments prepared by the management of the Company and reviewed by us.

Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R & Co. LLP**

*Chartered Accountants*

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



**Aniruddha Godbole**

*Partner*

Membership No: 105149

UDIN: 21105149AAAABB7888

Mumbai  
12 February 2021

# STERLING & WILSON



## Sterling and Wilson Solar Limited

CIN:U74999MH2017PLC292281

Registered Office: 9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur West, Mumbai 400 043.

### Statement Of Unaudited Standalone Financial Results For The Quarter And Nine Months Ended December 31, 2020

(₹ in crore)

Sr No.	Particulars	For the quarter ended			For the Nine months ended		Year ended
		31-Dec-20 (Unaudited)	30-Sep-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Mar-20 (Audited)
1	<b>Income</b>						
	Revenue from operations	790.90	460.59	873.09	1,874.65	3,060.24	4,535.10
	Other income	33.72	38.50	86.74	102.95	206.28	365.23
	<b>Total Income</b>	<b>824.62</b>	<b>499.09</b>	<b>959.83</b>	<b>1,977.60</b>	<b>3,266.52</b>	<b>4,900.33</b>
2	<b>Expenses</b>						
	Cost of construction materials, stores and spare parts	440.61	185.55	683.48	1,016.50	1,624.60	2,718.91
	Purchase of stock-in-trade	0.01	0.15	29.18	0.78	412.44	408.99
	Direct project costs	273.16	230.06	116.14	686.37	715.69	920.88
	Employee benefits expense	26.51	30.99	31.85	83.78	92.73	138.37
	Finance costs	16.00	16.08	45.82	50.78	127.71	146.18
	Depreciation and amortisation expense	2.18	1.81	1.78	5.85	4.93	6.32
	Other expenses	32.80	53.48	9.75	136.01	92.67	136.25
	<b>Total expenses</b>	<b>791.27</b>	<b>518.12</b>	<b>918.00</b>	<b>1,980.07</b>	<b>3,070.77</b>	<b>4,475.90</b>
3	<b>Profit / (Loss) before tax</b>	<b>33.35</b>	<b>(19.03)</b>	<b>41.83</b>	<b>(2.47)</b>	<b>195.75</b>	<b>424.43</b>
4	<b>Tax expense</b>						
	- Current tax	5.10	-	12.16	5.10	56.31	109.95
	- Current tax relating to earlier period / year	-	-	(0.28)	-	(0.28)	(0.28)
	- Deferred tax charge / (credit)	5.56	(0.91)	(0.43)	1.21	6.67	3.32
5	<b>Profit / (Loss) for the period / year</b>	<b>22.69</b>	<b>(18.12)</b>	<b>30.38</b>	<b>(8.78)</b>	<b>133.05</b>	<b>311.44</b>
6	<b>Other comprehensive income for the period / year</b>						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of defined benefit liability	(0.46)	(0.45)	(0.15)	(1.37)	(0.45)	(1.82)
	- Income tax relating to items that will not to reclassified to profit or loss	0.11	0.12	0.04	0.34	0.12	0.46
	Items that will be reclassified to profit or loss						
	- Exchange differences in translating financial statements of foreign operations	(10.28)	(1.27)	1.68	(8.32)	5.88	14.84
	- Effective portion of (losses) on hedging instruments in cash flow hedges	(61.84)	(26.26)	-	(135.27)	-	-
	- Income tax relating to items that will be reclassified to profit or loss	15.56	6.61	-	34.04	-	-
	<b>Other comprehensive (loss) / income for the period / year (net of tax)</b>	<b>(56.91)</b>	<b>(21.25)</b>	<b>1.57</b>	<b>(110.58)</b>	<b>5.55</b>	<b>13.48</b>
7	<b>Total comprehensive (loss)/ income for the period / year</b>	<b>(34.22)</b>	<b>(39.37)</b>	<b>31.95</b>	<b>(119.36)</b>	<b>138.60</b>	<b>324.92</b>
8	Paid-up equity share capital (face value ₹ 1/-)	16.04	16.04	16.04	16.04	16.04	16.04
9	Other equity						645.19
10	Earnings per equity share (EPS) (of ₹ 1 each) (not annualised)						
	(a) Basic	1.41	(1.13)	1.90	(0.55)	8.30	19.42
	(b) Diluted	1.41	(1.13)	1.90	(0.55)	8.30	19.42
	See accompanying notes to the unaudited standalone financial results						





# STERLING & WILSON



## Sterling and Wilson Solar Limited

CIN:U74999MH2017PLC292281

Registered Office: 9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur West, Mumbai 400 043.

### Unaudited Standalone Segment-Wise Revenue, Assets, Liabilities and Capital Employed For The Quarter And Nine Months Ended December 31, 2020

(₹ in crore)

Particulars	For the quarter ended			For the Nine months ended		Year ended
	31-Dec-20 (Unaudited)	30-Sep-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Mar-20 (Audited)
<b>Segment Revenue</b>						
Solar EPC business	735.56	408.07	821.99	1,708.21	2,940.76	4,365.44
Operation and maintenance service	53.46	52.52	51.10	164.56	119.44	169.62
<b>Total</b>	<b>789.02</b>	<b>460.59</b>	<b>873.09</b>	<b>1,872.77</b>	<b>3,060.20</b>	<b>4,535.06</b>
Other operating income	1.88	-	0.00	1.88	0.04	0.04
<b>Revenue from operations</b>	<b>790.90</b>	<b>460.59</b>	<b>873.09</b>	<b>1,874.65</b>	<b>3,060.24</b>	<b>4,535.10</b>
<b>Segment Results</b>						
Solar EPC business	58.20	18.68	30.23	101.24	267.55	466.83
Operation and maintenance service	13.09	9.35	14.06	46.77	39.92	51.34
<b>Total</b>	<b>71.29</b>	<b>28.03</b>	<b>44.29</b>	<b>148.01</b>	<b>307.47</b>	<b>518.17</b>
Add: Unallocable income	33.01	35.76	86.75	98.05	206.32	318.09
Less: Unallocable expenditure	(70.95)	(82.82)	(89.21)	(248.53)	(318.04)	(411.83)
<b>Total (loss) / profit before tax</b>	<b>33.35</b>	<b>(19.03)</b>	<b>41.83</b>	<b>(2.47)</b>	<b>195.75</b>	<b>424.43</b>
<b>Segment Assets</b>						
Solar EPC business	1,410.60	1,351.26	1,819.92	1,410.60	1,819.92	2,041.55
Operation and maintenance service	127.94	135.14	87.35	127.94	87.35	116.69
Unallocated	2,003.90	1,978.08	1,976.62	2,003.90	1,976.62	1,716.60
<b>Total</b>	<b>3,542.44</b>	<b>3,464.48</b>	<b>3,883.89</b>	<b>3,542.44</b>	<b>3,883.89</b>	<b>3,874.84</b>
<b>Segment Liabilities</b>						
Solar EPC business	2,407.91	2,248.83	2,512.21	2,407.91	2,512.21	2,438.78
Operation and maintenance service	76.85	76.62	52.71	76.85	52.71	72.63
Unallocated	515.78	562.93	741.27	515.78	741.27	702.20
<b>Total</b>	<b>3,000.54</b>	<b>2,888.38</b>	<b>3,306.19</b>	<b>3,000.54</b>	<b>3,306.19</b>	<b>3,213.61</b>
<b>Capital Employed (Segment Assets - Segment Liabilities)</b>						
Solar EPC business	(997.31)	(897.57)	(692.29)	(997.31)	(692.29)	(397.23)
Operation and maintenance service	51.09	58.52	34.64	51.09	34.64	44.06
Unallocated	1,488.12	1,415.15	1,235.35	1,488.12	1,235.35	1,014.40
<b>Total</b>	<b>541.90</b>	<b>576.10</b>	<b>577.70</b>	<b>541.90</b>	<b>577.70</b>	<b>661.23</b>





## Sterling and Wilson Solar Limited

CIN:U74999MH2017PLC292281

Registered Office: 9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur West, Mumbai 400 043.

## Statement Of Unaudited Standalone Financial Results For The Quarter And Nine Months Ended December 31, 2020

## Notes :

- 1 The unaudited standalone financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 12, 2021. These unaudited standalone financial results have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The above results have been subjected to "limited review" by the statutory auditors of the Company. There are qualifications as well as a reference to material uncertainty relating to going concern paragraph in the review report for the quarter and nine months ended December 31, 2020.
- 3 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 business and Solar Operation and maintenance service. 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.

The financial information of these segments has been provided in the unaudited standalone financials results as per Ind AS 108.

- 4 The Red Herring Prospectus dated 29 July 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 payable by a fellow subsidiary to the Company by 18 November 2019. The Selling Shareholders pursuant to their letter dated 14 November 2019 however requested the Board of Directors of the Company to consider a revised payment schedule for the outstanding inter-corporate deposits of Rs 1,727.18 crore (including interest thereon of Rs. 170.82 crore) as at 30 September 2019 with additional interest of 50 basis points per annum.

The Board of Directors in their meeting held on 31 December 2019 had considered the revised payment schedule of the outstanding inter-corporate deposits of Rs 1,045.78 crore (including accrued interest thereon of Rs. 49.92 crore) as at that date, in three quarterly installments by 31 March 2020, by 30 June 2020 and balance amount by 30 September 2020 (which would include further accruals of interest beyond 31 December 2019).

Considering the current economic slowdown and the challenges which the Selling Shareholders (promoter group) are facing due to their business being significantly impacted by COVID-19, the Selling Shareholders made a further request to extend the time lines for payment of the outstanding of Rs. 547.88 crore (including interest accrued) as at 30 September 2020 till 30 September 2021. The Board of Directors has taken a decision to extend the repayment timelines till September 2021 and levy additional interest spread of 400 basis points over and above the average interest rate. The Selling Shareholders have provided immovable properties as security worth about Rs. 460.00 crore and are in the process of perfecting securities of Rs 740.00 crore, after obtaining necessary approvals, making the total security package of Rs 1,200.00 crore. The Selling Shareholders have already facilitated the repayment of inter-corporate deposits amounting to Rs 1,548.61 crore by the fellow subsidiary to the Company, from the date of listing i.e. 20 August 2019 till 31 December 2020. In view of the steps taken/being taken by the Company, management believes that no provision towards expected credit losses is required as at 31 December 2020 for inter-corporate deposits outstanding aggregating to Rs 562.51 crore (including interest accrued thereon).

The Company has also responded to queries on this matter (including from Shareholders, SEBI, ROC and media reports). 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.





## Sterling and Wilson Solar Limited

CIN:U74999MH2017PLC292281

Registered Office: 9th Floor, Universal Majestic, P. L. Lokhande Marg, Chembur West, Mumbai 400 043.

## Statement Of Unaudited Standalone Financial Results For The Quarter And Nine Months Ended December 31, 2020

## Notes : (Continued)

- 5 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. During the quarter and nine months ended December 31, 2020, the construction activities at various sites in India and outside India were stalled as per the directives issued by various regulatory authorities. Subsequently, the construction activities have resumed at various sites gradually in a phased manner based on the directives issued by regulatory authorities and by ensuring compliance with preventive measures in terms of various guidelines issued by such regulatory authorities.

The Company believes that the current level of operations are temporary in nature and therefore this may not result in any significant financial impact on the Company. The management has considered internal and external sources up to the date of approval of these unaudited standalone financial results, in assessing the assets, liquidity, financial position and operations of the Company including impact on estimated costs to be incurred towards projects under execution and believes that carrying value of all assets are completely recoverable.

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 unaudited standalone financial results, and this will continue to be monitored in future periods.

- 6 The Board of Directors of the Company at their meeting held on 16 March 2020 has approved the "Scheme of Arrangement" ('the Scheme') for merger of the Sterling & Wilson - Warree Private Limited ('SWWPL') with the Company subject to obtaining necessary approvals from the applicable statutory authorities. Subsequently, the Company has completed e-filing of the application for the said Scheme with National Company Law Tribunal ('NCLT') on 5 August 2020. The final hearing on petition for sanction of the Scheme before the Mumbai bench of NCLT took place on 29 January 2021 and the Scheme was approved by the NCLT. However, the Company has not received the final order till date. Accordingly, the impact for merger of SWWPL with the Company as required under Para 9(iii) of Appendix C of Ind AS 103 has not been given in the unaudited standalone financial results for the quarter and nine months period ended December 31, 2020.

- 7 Shapoorji Pallonji and Company Private Limited, the Holding company, has applied to its lenders for a One Time Restructuring ('OTR') facility, resulting in its credit rating downgrade as well as that of the Company in the current quarter. This has impacted the ability of the Company to fully utilise its existing banking limits and / or obtain fresh banking limits and roll over of existing facilities. The Company's short term borrowings have seen a net reduction of Rs 242.47 crores from 1 April 2020 to 31 December 2020, which has further reduced by Rs 75.00 crores till 11 February 2021. As a result, subsequent to the reporting date, the Company is facing challenges related to obtaining funding for cash outflows in respect of timely repayment of borrowings and other activities. As per the requirements of generally accepted accounting principles, the aforementioned events or conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.
- The Company believes that it is a going concern and has therefore prepared the unaudited standalone financial results on a going concern basis given its positive net worth, a favourable net current asset position and positive operating cash flows for the period ended 31 December 2020 and is confident that it can tide over the current issues till the time the OTR for Shapoorji Pallonji and Company Private Limited is not approved. Further, the Company's management and the Board of Directors have made an assessment, of the Company's ability to continue as a going concern based on the projected financial results for the next 12 months, and are satisfied that the strong order book, the positive operating cash flows, the existing financing arrangements and the proposed repayment by Sterling and Wilson Private Limited will enable the Company to continue its business in the foreseeable future, so as to be able to realise its assets and discharge its liabilities in its normal course of business.

- 8 The results of the Company are available for investors at [www.sterlingandwilsonsolar.com](http://www.sterlingandwilsonsolar.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

BY ORDER OF THE BOARD OF DIRECTORS  
For Sterling and Wilson Solar Limited



Mr. Khurshed Daruvala  
Chairman  
DIN: 00216905

Date : February 12, 2021  
Place : Mumbai

