

November 13, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015** (“SEBI Listing Regulations”)

Dear Sir/ Ma’am,

Pursuant to the SEBI Listing Regulations, we wish to inform you that the Board of Directors of the Company (“the Board”) at its meeting held today i.e. Saturday, November 13, 2021, *inter alia* considered and approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2021 along with the Limited Review Report issued by the Statutory Auditors of the Company. The same is enclosed herewith.

The said meeting commenced at 09:10 a.m. IST and concluded at 11:25 a.m. IST.

Request you to take the same on records.

Thanking you,

Yours faithfully,  
**For Sterling and Wilson Solar Limited**



**Jagannadha Rao Ch. V.**  
**Company Secretary and Compliance Officer**

**Sterling and Wilson Solar Limited**

An Associate of Shapoorji Pallonji Group

Registered Office: Universal Majestic, 9th Floor, P. L. Lokhande Marg, Chembur (W), Mumbai – 400 043

Phone: (91-22) 25485300 | Fax: (91-22) 25485331 | CIN: L74999MH2017PLC292281

Email: [info@sterlingwilson.com](mailto:info@sterlingwilson.com) | Website: [www.sterlingandwilsonsolar.com](http://www.sterlingandwilsonsolar.com)

**REVIEW REPORT  
TO THE BOARD OF DIRECTORS  
STERLING AND WILSON SOLAR LIMITED**

- We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Sterling and Wilson Solar Limited (“the Company”) for the quarter and half year ended September 30, 2021, together with the notes thereon (“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. This Statement is being submitted by the Company pursuant to the requirements of Regulations 33 and 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“Listing Regulations”), (initialed by us for identification). This Statement which is the responsibility of the Company’s Management has been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 12, 2021, and November 13, 2021, respectively, 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, (“the Act”) read with the relevant Rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
- 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**

We draw attention to Note 6 to the Statement, the Company has trade receivables from a customer aggregating to Rs. 92.45 crore which are outstanding as at September 30, 2021. The customer is currently undergoing a resolution process under the supervision of the National Company Law Tribunal (‘NCLT’) and has appointed an Insolvency Resolution Professional (‘IRP’) to supervise the operations and settlement of creditors. The Company’s claims have been admitted by the IRP and based on the confirmation received from the customer as at March 31, 2021 and the alternate legal routes being pursued by the Company, Management believes that the current expected credit loss provision of Rs. 31.33 crore is appropriate and adequate. However, we believe that given the past history of IRP settlements and the delays experienced in settlement of the matter, the expected credit loss provision needs to be enhanced. Pending completion of the resolution process and the alternate legal routes pursued by the Company and having regard to the age of these balances, we are unable to comment on the recoverability of balance outstanding from this customer and the consequent impact on the Statement, if any.

4. **Qualified Conclusion**

Based on our review conducted as above and based on the consideration of the review reports of the branch auditors referred to in paragraph 6(i) below, except for the possible 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 and 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. **Emphasis of Matter**

We draw attention to Note 8 to the Statement which describes the accounting for the Scheme of Amalgamation (Scheme) between the Company and Sterling & Wilson – Waaree Private Limited, a wholly owned subsidiary. The Scheme has been approved by the NCLT vide its order dated January 29, 2021. Though the appointed date as per the NCLT Scheme is April 1, 2020, the business combination has been accounted for as if it had occurred from the beginning of the preceding year in the standalone financial results. Accordingly, the corresponding amounts for the quarter and period ended September 30, 2020, have been restated by the Company after recognizing the effect of the amalgamation as above. This financial information has been certified by the Company's Management and has not been reviewed or audited by us.

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

6. **Other Matters**

- i) We did not review the interim financial information of 14 branches included in the unaudited standalone interim financial results of the Company, whose interim financial information reflect total assets (before consolidation adjustments) of Rs. 1,186.61 crore as at September 30, 2021 and total revenues (before consolidation adjustments) of Rs. 630.53 crore and Rs. 1,263.83 crore, total net loss after tax (before consolidation adjustments) of Rs. 12.98 crore and Rs. 35.34 crore and total comprehensive loss (before consolidation adjustments) of Rs. 12.98 crore and Rs. 35.34 crore for the quarter ended September 30, 2021, and for the period from April 1, 2021, to September 30, 2021, respectively, and cash outflows (net) of Rs. 22.80 crore for the period from April 1, 2021, to September 30, 2021, as considered in the unaudited standalone interim 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 2 above.
- ii) The Statement also includes the interim financial information of 1 branch which has not been reviewed, whose interim financial information results reflect total assets (before consolidation adjustments) of Rs. 8.21 crore as at September 30, 2021, and total revenues (before consolidation adjustments) of Rs. 1.54 and Rs. 1.54, total net profit after tax (before consolidation adjustments) of Rs. 0.05

crore and Rs. 0.05 crore and total comprehensive income (before consolidation adjustments) of Rs. 0.05 crore and Rs. 0.05 crore for the quarter ended September 30, 2021, and for the period from April 1, 2021, to September 30, 2021, respectively, and cash inflows (net) of Rs. 6.65 crore for the period from April 1, 2021, to September 30, 2021, as considered in the Statement. According to the information and explanations given to us by the Management, this interim financial information is not material to the Company.

- iii) Certain branches referred to above are located outside India whose interim financial information has 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. 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.
- iv) Attention is drawn to the fact that the figures in the Statement up to and for the quarter ended June 30, 2021, as well as for the financial year ended March 31, 2021, included in the Statement were audited / reviewed by a firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, Chartered Accountants. The previous auditors have expressed a modified opinion / conclusion for the above periods vide their respective audit / limited review reports which have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement.

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

***For KALYANIWALLA & MISTRY LLP***  
***CHARTERED ACCOUNTANTS***

Firm Regn. No.: 104607W / W100166

Daraius

Zarir Fraser

*Daraius Z. Fraser*

***PARTNER***

M. No.: 42454

UDIN: 21042454AAAAFT8707

Mumbai: November 13, 2021.

Digitally signed by Daraius Zarir Fraser  
DN: cn=, o=Personal,  
2.5.4.20=6ffcaab7957123ca0c47af6471  
ead51f20559f6c1b17ebf564942b57c1e4  
7, postalCode=400102, st=Maharashtra,  
serialNumber=66020110d4d6d27948e15  
119e22ff318dbbb7b5965f24425f31eb6b  
05958a, cn=Daraius Zarir Fraser  
Date: 2021.11.13 11:59:08 +05'30'

**Statement of Unaudited Standalone Financial Results for the Quarter and Six Months Ended September 30, 2021**

(₹ in crore)

Sr No.	Particulars	For the quarter ended			For the six months ended		Year ended
		30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited) (Restated) (Refer note 8)	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited) (Restated) (Refer note 8)	31-Mar-21 (Audited)
1	<b>Income</b>						
	Revenue from operations	958.98	846.39	460.87	1,805.37	1,084.32	3,176.17
	Other income	29.53	33.26	39.75	62.79	71.66	153.95
	<b>Total Income</b>	<b>988.51</b>	<b>879.65</b>	<b>500.62</b>	<b>1,868.16</b>	<b>1,155.98</b>	<b>3,330.12</b>
2	<b>Expenses</b>						
	Cost of construction materials, stores and spare parts	458.35	367.38	185.62	825.73	575.97	2,029.83
	Purchase of stock-in-trade	-	-	0.15	-	0.77	0.79
	Direct project costs	470.35	395.65	230.20	866.00	413.48	1,049.47
	Employee benefits expense	32.84	30.29	30.99	63.13	57.27	122.34
	Finance costs	16.82	11.98	16.01	28.80	34.66	67.59
	Depreciation and amortisation expense	1.63	1.62	1.81	3.25	3.67	8.20
	Other expenses (Refer note 9)	66.09	117.83	57.29	183.92	115.50	194.57
	<b>Total Expenses</b>	<b>1,046.08</b>	<b>924.75</b>	<b>522.07</b>	<b>1,970.83</b>	<b>1,201.32</b>	<b>3,472.79</b>
3	<b>(Loss) before tax (1 - 2)</b>	<b>(57.57)</b>	<b>(45.10)</b>	<b>(21.45)</b>	<b>(102.67)</b>	<b>(45.34)</b>	<b>(142.67)</b>
4	<b>Tax Expense</b>						
	- Current tax *	(0.00)	-	-	(0.00)	0.35	-
	- Deferred tax (credit) / charge	(15.53)	(9.94)	(1.89)	(25.47)	(7.44)	(31.23)
5	<b>(Loss) for the period / year (3 - 4)</b>	<b>(42.04)</b>	<b>(35.16)</b>	<b>(19.56)</b>	<b>(77.20)</b>	<b>(38.25)</b>	<b>(111.44)</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	0.07	0.07	(0.46)	0.14	(0.91)	0.27
	- Income tax relating to items that will not be reclassified to profit or loss	(0.01)	(0.02)	0.11	(0.03)	0.23	(0.07)
	Items that will be reclassified to profit or loss						
	- Effective portion of gain / (losses) on hedging instruments in cash flow hedges	37.26	8.16	(26.26)	45.42	(73.43)	(153.59)
	- Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss	18.29	80.44	-	98.73	-	63.10
	- Income tax relating to items that will be reclassified to profit or loss	(13.98)	(22.30)	6.61	(36.28)	18.48	22.77
	- Exchange differences in translating financial statements of foreign operations	9.44	4.57	(1.27)	14.01	1.96	(11.46)
	<b>Other comprehensive income for the period / year (net of income tax)</b>	<b>51.07</b>	<b>70.92</b>	<b>(21.27)</b>	<b>121.99</b>	<b>(53.67)</b>	<b>(78.98)</b>
7	<b>Total comprehensive income / (loss) for the period / year (5 + 6)</b>	<b>9.03</b>	<b>35.76</b>	<b>(40.83)</b>	<b>44.79</b>	<b>(91.92)</b>	<b>(190.42)</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						495.94
10	Earnings per equity share (EPS) (of ₹ 1 each) (not annualised)						
	(a) Basic	(2.62)	(2.19)	(1.22)	(4.81)	(2.38)	(6.95)
	(b) Diluted (Refer note 13)	(2.62)	(2.19)	(1.22)	(4.81)	(2.38)	(6.95)
11	<b>Key ratios and financial indicators (Refer note 7)</b>						
	Outstanding redeemable preference shares	-	-	-	-	-	-
	Debt equity ratio	1.21	0.75	-	1.21	-	0.75
	Capital redemption reserve *	0.00	0.00	-	0.00	-	0.00
	Debenture redemption reserve	-	-	-	-	-	-
	Debt service coverage ratio	(0.51)	(0.40)	-	(0.91)	-	(0.51)
	Interest service coverage ratio	(1.77)	(3.28)	-	(3.17)	-	(1.30)
	Net worth	557.84	547.73	-	557.84	-	511.98
	Current ratio	1.02	1.02	-	1.02	-	1.00
	Long term debt to working capital	-	-	-	-	-	-
	Bad debts to Account receivable ratio	-	-	-	-	-	0.00
	Current liability ratio	0.99	0.99	-	0.99	-	0.99
	Total debts to total assets	0.17	0.11	-	0.17	-	0.10
	Debtors turnover (annualized)	4.17	4.39	-	3.92	-	2.75
	Inventory turnover (annualized)	453.81	325.48	-	408.78	-	230.76
	Operating margin (%)	-6.68%	-6.85%	-	-6.76%	-	-6.23%
	Net profit margin (%);	-4.38%	-4.15%	-	-4.28%	-	-3.51%
	See accompanying notes to the unaudited standalone financial results						
	* denotes amount less than ₹ 0.01 crore						

**Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2021**

Particulars	(₹ in crore)	
	As at	As at
	30-Sep-21	31-Mar-21
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	18.73	19.95
(b) Capital work-in-progress	0.01	0.01
(c) Right-of-use assets	5.34	5.72
(d) Other intangible assets	6.71	7.84
(e) Intangible assets under development	0.32	0.32
(f) Financial Assets		
(i) Investments	371.21	371.21
(ii) Other financial assets	4.99	5.94
(g) Deferred tax assets (net)	70.05	80.86
(h) Non-current tax assets (net)	47.59	36.60
(i) Other non-current assets	1.85	1.85
<b>Total non-current assets</b>	<b>526.80</b>	<b>530.30</b>
<b>Current assets</b>		
(a) Inventories	4.99	3.09
(b) Financial Assets		
(i) Trade receivables	1,071.32	769.99
(ii) Cash and cash equivalents	249.37	122.69
(iii) Bank balances other than (ii) above	35.95	45.85
(iv) Loans	173.19	552.88
(v) Derivatives	48.09	1.92
(vi) Other financial assets	877.76	710.28
(c) Other current assets	885.84	1,039.29
<b>Total current assets</b>	<b>3,346.51</b>	<b>3,245.99</b>
<b>TOTAL ASSETS</b>	<b>3,873.31</b>	<b>3,776.29</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	16.04	16.04
(b) Other Equity	541.80	495.94
<b>Total equity</b>	<b>557.84</b>	<b>511.98</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Lease liabilities	5.89	6.08
(b) Provisions	20.80	20.56
<b>Total non-current liabilities</b>	<b>26.69</b>	<b>26.64</b>
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	675.67	385.73
(ii) Lease liabilities	0.40	0.40
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	23.15	83.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,263.36	2,296.01
(iv) Derivatives	0.75	92.39
(v) Other financial liabilities	57.68	63.96
(b) Other current liabilities	173.82	219.95
(c) Provisions	93.95	93.16
(d) Current tax liabilities, net	0.00	2.33
<b>Total current liabilities</b>	<b>3,288.78</b>	<b>3,237.67</b>
<b>Total liabilities</b>	<b>3,315.47</b>	<b>3,264.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,873.31</b>	<b>3,776.29</b>

**Unaudited Standalone Statement of Cash flows for the Six Months Ended September 30, 2021**

(₹ in crore)

Particulars	For the six months ended	
	30-Sep-21	30-Sep-20
	(Unaudited)	(Unaudited) (Restated) (Refer note 8)
<b>Cash flows from operating activities</b>		
<b>(Loss) before tax</b>	(102.67)	(45.34)
<i>Adjustments for:</i>		
Depreciation and amortisation expense	3.25	3.67
Supplier balances written back	-	(0.49)
Expected credit loss on financial assets	11.63	-
Provision for mark-to-market loss on derivative instruments (net)	6.32	0.72
Share of loss in partnership firm	0.92	16.07
Provision for foreseeable loss	0.62	-
Finance costs	28.80	34.78
Interest income	(48.17)	(61.88)
Provision for impairment loss on loans and investment in subsidiary	-	12.29
Unrealised foreign exchange loss (net)	115.07	94.23
<b>Operating profit before working capital changes</b>	15.77	54.05
<i>Working capital adjustments:</i>		
(Increase) / Decrease in inventories	(1.90)	3.91
(Increase) / Decrease in trade receivables	(323.81)	722.86
(Increase) / Decrease in loans and advances	(0.76)	0.71
(Increase) in restricted cash	(2.42)	(2.92)
(Increase) in other financial assets	(141.88)	(160.93)
Decrease / (Increase) in other current and non-current assets	153.44	(32.54)
(Decrease) in trade payable, derivatives, other financial liabilities, other liabilities and provisions	(254.53)	(312.51)
<b>Net change in working capital</b>	(571.86)	218.58
<b>Cash flows (used in) / generated from operating activities</b>	(556.09)	272.63
Income tax (paid) (net)	(13.43)	(8.64)
Effects of exchange differences on translation of assets and liabilities	14.01	1.96
<b>Net cash flows (used in) / generated from operating activities</b>	(555.51)	265.95
<b>Cash flows from investing activities</b>		
(Purchase) of property, plant and equipment, capital work in progress and intangible assets	(1.20)	(10.30)
Proceeds from / (Investment) in short term fixed deposits (net)	13.27	(54.86)
Proceeds from sale of mutual funds	-	0.27
Inter-corporate deposits/ Loans given to subsidiaries and fellow subsidiaries	(31.61)	(9.89)
Inter-corporate deposits/ Loans repaid by subsidiaries and fellow subsidiaries	413.40	55.33
Interest received	25.54	37.18
<b>Net cash flows generated from investing activities</b>	419.40	17.73
<b>Cash flows from financing activities</b>		
Proceeds from cash credit borrowings (net)	130.45	30.07
Proceeds / (Repayment of) from secured and unsecured short-term borrowings (net)	159.49	(226.93)
(Repayment) of lease liabilities	(0.54)	(1.55)
Finance costs paid	(26.84)	(34.67)
<b>Net cash flows generated from / (used in) financing activities</b>	262.56	(233.08)
<b>Net Increase in cash and cash equivalents</b>	126.45	50.60
<b>Cash and cash equivalents - Opening balance</b>	122.69	182.12
Net movement in currency translation	0.23	0.30
<b>Cash and cash equivalents - Closing balance</b>	249.37	233.02
<b>Reconciliation of cash and cash equivalents as per the Standalone Statement of Cash Flows</b>		
Cash and cash equivalents as per the above comprise of the following:		
Cash and cash equivalents as per the Standalone Statement of Assets and Liabilities	249.37	233.02
Less: Bank overdrafts repayable on demand	-	-
<b>Cash and cash equivalents as per the Standalone Statement of Cash Flows</b>	249.37	233.02



**Sterling and Wilson Solar Limited**

CIN:L74999MH2017PLC292281

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 Six Months Ended September 30, 2021**

(₹ in crore)

Particulars	For the quarter ended			For the six months ended		Year ended
	30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited) (Restated) (Refer note 8)	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited) (Restated) (Refer note 8)	31-Mar-21 (Audited)
<b>Segment Revenue</b>						
Solar EPC business	904.84	790.15	408.07	1,694.99	972.65	2,941.41
Operation and maintenance service	54.14	56.24	52.80	110.38	111.67	231.80
<b>Total</b>	<b>958.98</b>	<b>846.39</b>	<b>460.87</b>	<b>1,805.37</b>	<b>1,084.32</b>	<b>3,173.21</b>
Other operating income	-	-	-	-	-	2.96
<b>Revenue from operations</b>	<b>958.98</b>	<b>846.39</b>	<b>460.87</b>	<b>1,805.37</b>	<b>1,084.32</b>	<b>3,176.17</b>
<b>Segment Results</b>						
Solar EPC business	(17.42)	(12.94)	18.68	(30.36)	43.04	(33.10)
Operation and maintenance service	16.33	14.22	9.41	30.55	33.90	69.03
<b>Total</b>	<b>(1.09)</b>	<b>1.28</b>	<b>28.09</b>	<b>0.19</b>	<b>76.94</b>	<b>35.93</b>
Add: Unallocable income	29.51	30.03	37.02	59.54	67.47	137.16
Less: Unallocable expenditure	(85.99)	(76.41)	(86.56)	(162.40)	(189.75)	(315.76)
<b>Total (loss) / profit before tax</b>	<b>(57.57)</b>	<b>(45.10)</b>	<b>(21.45)</b>	<b>(102.67)</b>	<b>(45.34)</b>	<b>(142.67)</b>
<b>Segment Assets</b>						
Solar EPC business	1,662.01	1,359.07	1,351.26	1,662.01	1,351.26	1,372.55
Operation and maintenance service	187.62	160.32	135.36	187.62	135.36	143.35
Unallocated	2,023.68	2,050.60	2,012.05	2,023.68	2,012.05	2,260.39
<b>Total</b>	<b>3,873.31</b>	<b>3,569.99</b>	<b>3,498.67</b>	<b>3,873.31</b>	<b>3,498.67</b>	<b>3,776.29</b>
<b>Segment Liabilities</b>						
Solar EPC business	2,405.16	2,405.09	2,248.83	2,405.16	2,248.83	2,681.01
Operation and maintenance service	103.56	98.06	77.11	103.56	77.11	77.31
Unallocated	806.75	519.11	562.30	806.75	562.30	505.99
<b>Total</b>	<b>3,315.47</b>	<b>3,022.26</b>	<b>2,888.24</b>	<b>3,315.47</b>	<b>2,888.24</b>	<b>3,264.31</b>
<b>Capital Employed (Segment Assets - Segment Liabilities)</b>						
Solar EPC business	(743.15)	(1,046.02)	(897.57)	(743.15)	(897.57)	(1,308.46)
Operation and maintenance service	84.06	62.26	58.25	84.06	58.25	66.04
Unallocated	1,216.93	1,531.49	1,449.75	1,216.93	1,449.75	1,754.40
<b>Total</b>	<b>557.84</b>	<b>547.73</b>	<b>610.43</b>	<b>557.84</b>	<b>610.43</b>	<b>511.98</b>



**Notes to Unaudited Standalone Financial Results for the Quarter and Six Months Ended September 30, 2021**

**Notes :**

- 1 The unaudited standalone financial results which are published in accordance with Regulation 33 and Regulation 52(4) 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 meetings held on November 12, 2021 and November 13, 2021, respectively. 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 unaudited standalone financial results have been subjected to "limited review" by the statutory auditors of the Company. There is a qualification in the review report for the quarter and six months ended September 30, 2021.
- 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 and Solar Operation and maintenance service based on analysis of various performance indicators viz. Profit after tax. Accordingly, the Company has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:
  - Engineering, Procurement and Construction (Solar EPC) business; and
  - Operation and maintenance service.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 Shapoorji Pallonji and Company Private Limited and Khurshed Yazdi Daruvala ("Selling Shareholders") shall use a portion of the net offer proceeds towards funding full repayment of the outstanding inter-corporate deposits payable by a fellow subsidiary to the Company. The entire amount has now been repaid along with all interest accrued thereagainst.

The Company has responded to queries on this matter raised by the concerned authorities. The Company, based on independent opinions from legal experts, has determined that there is no non-compliance with any provisions of the Companies Act, 2013 and/or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 by the Company, in respect of this matter.
- 5 The outbreak of the Coronavirus (COVID-19) pandemic globally continues to cause significant disturbance and slowdown of economic activity. During the quarter and six months ended 30 September 2021, the construction activities at various sites witnessed a slowdown as per the directives issued by various regulatory authorities which has led to an increased cost of construction (including rise in module and commodity costs) as well as overheads due to extended time. Owing to these factors, the Company has faced liquidity challenges during the quarter and six months ended 30 September 2021.

The Company continues to have a strong order book, a positive net-worth and favorable net current asset position. The Company's Management and the Board of Directors of the Company have also made an assessment on going concern, after considering the Company's projected cash flows for the next 12 months, as well as financing arrangements to fulfil its working capital requirements and necessary capital expenditure.

The Company has used the principles of prudence in applying judgements, estimates and assumption and based on the current estimates' Management has assessed the impact of existing and anticipated impact of COVID-19 on future projected cash-flows. Based on all the above the Management believes that the Company will continue its business in the foreseeable future, so as to be able to realise its assets and discharge its liabilities in the normal course.
- 6 The Company, entered into a contract for a 100 MW AC Photovoltaic plant in the state of Karnataka with an infrastructure company ("customer") to cater to inhouse power demands of the large office space facilities at Bangalore of a real estate developer ("developer"). The works were majorly completed by end February 2018 and the balance work was pending due to non-availability of land, which was in the scope of the customer. In October 2018, the National Company Law Tribunal ("NCLT") actions were initiated against the customer group and the Company issued a work suspension notice to the customer, for balance of payments, with a copy to the developer. The developer issued directions to the Company, vide a letter, to go ahead with the works/maintenance of the plant where in they also assured the Company that they would make the payment if the customer failed to pay. As on date, the customer owes the Company Rs 92.45 crore. In addition, an amount of Rs 64.10 crore under confirmed, irrevocable Letters of Credit arranged by the customer from their bank mainly for the supplies which had been discounted by the Company, after confirmation both from the customer and their bank, became due. Due to the NCLT actions against the customer group, the customer's bank refused to make the payment to the Company's bank citing prevention against doing the same due to the NCLT order, and the Company had to return the amount back to its bank.

During the year ended 31 March 2020, the Company has initiated legal proceedings in both these matters:

  - a) the matter in respect of the customer / developer which was pending with the NCLT, the final hearing took place subsequent to the quarter end and the Company is awaiting final order;
  - b) The matter in respect of the customers bank is currently pending with the National Company Law Appellate Tribunal.

The Company has sought legal opinions regarding the amount due from the developer as per their assurance letter and from the customer's bank due to failure to pay confirmed Letters of Credit and has been advised that the said amounts are recoverable. The amount of Rs 92.45 crore and Rs 64.10 crore is shown under the head Trade Receivables and Other Financial Assets, respectively.

Basis the aforementioned legal opinions and the Management assessment, inspite of being confident of full recovery, considering the expected credit loss requirement of Ind AS 109 "Financial Instruments", the Management has recognised the provision to the extent of Rs 31.33 crore as at 30 September 2021, based on Management's best estimate of collection of the aforementioned receivables as at 30 September 2021.
- 7 The formula used for calculating ratios disclosed above and other details relating to listed commercial paper are as under:
  - (a) Debt equity ratio = Current borrowings / Net worth
  - (b) Debt service coverage ratio = Profit before depreciation and amortisation, Interest on secured and unsecured loans, other borrowing costs and Tax / ((Interest on secured and unsecured loans + other borrowing cost) + (Unsecured current borrowings, excluding loan from related parties + Secured commercial paper))
  - (c) Interest service coverage ratio = Profit before depreciation and amortisation, Interest on secured and unsecured loans, other borrowing costs and Tax / (Interest on secured and unsecured loans + other borrowing cost)
  - (d) Net worth = Equity share capital + Other equity
  - (e) Current ratio = Current assets / Current liabilities

**Notes to Unaudited Standalone Financial Results for the Quarter and Six Months Ended September 30, 2021 (Continued)**

**Notes : (Continued)**

- 7 (f) Long term debt to working capital = Non-current borrowings / (Current assets - Current liabilities)  
 (g) Bad debts to Account receivable ratio = Bad debts / Average trade receivables  
 (h) Current liability ratio = Current liabilities / Total liabilities  
 (i) Total debts to total assets = (Current borrowings + Non-current borrowings) / Total assets  
 (j) Debtors turnover (annualized) = Revenue from operations / Average trade receivables  
 (k) Inventory turnover (annualized) = (Cost of construction materials, stores and spare parts + Purchases of stock-in-trade + Changes in inventories of stock-in-trade) / Average inventories  
 (l) Operating margin (%) = (Earning before finance cost - Interest income) / Revenue from operations  
 (m) Net profit margin (%) = Net profit / Revenue from operations  
 The credit rating for the Commercial paper is A2

The Company has secured commercial paper which are Listed on BSE Limited. Details of due date of interest and principal of Listed Commercial Paper is as follows:

International securities identification number code	Due date	Principal and Interest (₹ in crore)
INE00M214172	23-Dec-21	40.00

The commercial paper is secured by charge on Inter corporate deposit receivable from Sterling and Wilson Private Limited, a fellow subsidiary of the Company, amounting to Rs 235.46 crore as at 30 June 2021 and Rs Nil as at 30 September 2021 (31 March 2021: Rs 397.55 crore). The Commercial Paper was fully prepaid on 14 October 2021 along with interest upto the date of prepayment.

The commercial paper was issued during the year ended 31 March 2021 and hence, ratios for the previous period ended 30 September 2020 have not been disclosed.

- 8 The Board of Directors of the Company at their meeting held on 16 March 2020 had approved the "Scheme of Arrangement" ("the Scheme") for merger of Sterling & Wilson - Warree Private Limited ('SWWPL') with the Company subject to obtaining necessary approvals from the applicable statutory authorities. Subsequently, the Company 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. The Company has received the final order on 29 March 2021. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103, the unaudited standalone financial results of the Company in respect of prior periods have been restated from effective date of the Scheme i.e. April 1, 2020. Increase/ (Decrease) in previous period published numbers are as below:

Particulars	(₹ in crore)	
	For the quarter ended	For the Six months ended
	30-Sep-20 (Unaudited)	30-Sep-20 (Unaudited)
Total income	1.54	3.00
(Loss) / Profit before tax for the period	(2.42)	(9.52)
(Loss) / Profit after tax for the period	(1.45)	(6.78)
Net worth	34.33	34.33
Total assets	34.19	34.19

- 9 Other expenses during the six months ended 30 September 2021 include forward contract cancellation charges aggregating to Rs 98.73 crore. A few of these contracts, with a corresponding cost of Rs 67.14 crore, have been re-booked during the six months ended 30 September 2021, as the corresponding revenue against such forward contracts is to be accrued in subsequent periods.
- 10 On 27 March 2019, The Board of Directors of the Company has proposed to institute an Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on 30 May 2021 and the grant of stock option was approved by the Nomination and Remuneration Committee on 14 August 2021. Pursuant to Scheme, the Company has granted 1,301,213 stock options to eligible employees, the exercise price of these ESOP is Rs 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant.
- 11 Other current financial assets includes Rs. 404.25 crore being the value of advance and performance bank guarantees that have been encashed by three customers of the Company. Two of the projects are virtually completed and the third one is about substantially completed. The Senior management of the Company have had several rounds of the discussion with the customers and are actively being engaged to resolve the matter. Based on the current ongoing discussion the management is hopeful that the issue will be resolved amicably, and accordingly there is no need to make provision for the same during the quarter and six months ended 30 September 2021.
- 12 Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.
- 13 The Company has incurred loss for the quarter and six months ended 30 September 2021 and accordingly, the effect of potential equity shares to be issued would be anti-dilutive.
- 14 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**

Khurshed Yazdi Daruvala  
 Digitally signed by Khurshed Yazdi Daruvala  
 Date: 2021.11.13 10:50:47 +05'30'

**Khurshed Daruvala**  
**Chairman**  
**DIN: 00216905**

Date : November 13, 2021  
 Place : Mumbai