

November 13, 2021

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

1. 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.
2. 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.
3. **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  
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**Sterling and Wilson Solar Limited**

CIN:L74999MH2017PLC292281

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 Six Months Ended September 30, 2021**

| (₹ in crore) |   |                          |                          |  |                          |  |
|--------------|---|--------------------------|--------------------------|--|--------------------------|--|
| Sr No.       | Particulars   | For the quarter ended    |                          |  | For the six months ended |  |
|              |   | 30-Sep-21<br>(Unaudited) | 30-Jun-21<br>(Unaudited) | 30-Sep-20<br>(Unaudited)<br>(Restated)<br>(Refer note 8) | 30-Sep-21<br>(Unaudited) | 30-Sep-20<br>(Unaudited)<br>(Restated)<br>(Refer note 8) |
| 1            | <b>Income</b>   |                          |                          |  |                          |  |
|              | Revenue from operations   | 958.98                   | 846.39                   | 460.87   | 1,805.37                 | 1,084.32   |
|              | Other income  | 29.53                    | 33.26                    | 39.75  | 62.79                    | 71.66  |
|              | <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>  |
| 2            | <b>Expenses</b>   |                          |                          |  |                          |  |
|              | Cost of construction materials, stores and spare parts  | 458.35                   | 367.38                   | 185.62   | 825.73                   | 575.97   |
|              | Purchase of stock-in-trade  | -                        | -                        | 0.15   | -                        | 0.77   |
|              | Direct project costs  | 470.35                   | 395.65                   | 230.20   | 866.00                   | 413.48   |
|              | Employee benefits expense   | 32.84                    | 30.29                    | 30.99  | 63.13                    | 57.27  |
|              | Finance costs   | 16.82                    | 11.98                    | 16.01  | 28.80                    | 34.66  |
|              | Depreciation and amortisation expense   | 1.63                     | 1.62                     | 1.81   | 3.25                     | 3.67   |
|              | Other expenses (Refer note 9)   | 66.09                    | 117.83                   | 57.29  | 183.92                   | 115.50   |
|              | <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>  |
| 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>   |
| 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)   |
| 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>   |
| 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)   |
|              | - Income tax relating to items that will not be reclassified to profit or loss                          | (0.01)                   | (0.02)                   | 0.11   | (0.03)                   | 0.23   |
|              | 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)  |
|              | - Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss | 18.29                    | 80.44                    | -  | 98.73                    | -  |
|              | - Income tax relating to items that will be reclassified to profit or loss                              | (13.98)                  | (22.30)                  | 6.61   | (36.28)                  | 18.48  |
|              | - Exchange differences in translating financial statements of foreign operations                        | 9.44                     | 4.57                     | (1.27)   | 14.01                    | 1.96   |
|              | <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>   |
| 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>   |
| 8            | Paid-up equity share capital (face value ₹ 1/-)   | 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)   |
|              | (b) Diluted (Refer note 13)   | (2.62)                   | (2.19)                   | (1.22)   | (4.81)                   | (2.38)   |
| 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   |                          |                          |  |                          |  |

**Sterling and Wilson Solar Limited**

CIN:L74999MH2017PLC292281

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

**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)<br>(Restated)<br>(Refer note 8) |
| <b>Cash flows from operating activities</b>   |                          |   |
| <b>(Loss) before tax</b>  | <b>(102.67)</b>          | <b>(45.34)</b>                              |
| <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>  | <b>15.77</b>             | <b>54.05</b>                                |
| <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>  | <b>(571.86)</b>          | <b>218.58</b>                               |
| <b>Cash flows (used in) / generated from operating activities</b>                                       | <b>(556.09)</b>          | <b>272.63</b>                               |
| 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>                                   | <b>(555.51)</b>          | <b>265.95</b>                               |
| <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>   | <b>419.40</b>            | <b>17.73</b>                                |
| <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>                                   | <b>262.56</b>            | <b>(233.08)</b>                             |
| <b>Net Increase in cash and cash equivalents</b>  | <b>126.45</b>            | <b>50.60</b>                                |
| <b>Cash and cash equivalents - Opening balance</b>  | <b>122.69</b>            | <b>182.12</b>                               |
| Net movement in currency translation  | 0.23                     | 0.30  |
| <b>Cash and cash equivalents - Closing balance</b>  | <b>249.37</b>            | <b>233.02</b>                               |
| <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>                          | <b>249.37</b>            | <b>233.02</b>                               |



**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<br>(Unaudited) | 30-Jun-21<br>(Unaudited) | 30-Sep-20<br>(Unaudited)<br>(Restated)<br>(Refer note 8) | 30-Sep-21<br>(Unaudited) | 30-Sep-20<br>(Unaudited)<br>(Restated)<br>(Refer note 8) | 31-Mar-21<br>(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<br>(₹ 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<br>(Unaudited) | 30-Sep-20<br>(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

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**Khurshed Daruvala  
Chairman  
DIN: 00216905**

Date : November 13, 2021  
Place : Mumbai

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**Independent Auditor's Review Report on Unaudited Quarterly and Year to Date Consolidated Financial Results of Sterling and Wilson Solar Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**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 and half year ended September 30, 2021, together with the notes thereon, ("the Statement"), attached herewith, 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'), (initialled by us for identification).
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors at its meeting held on November 13, 2021, 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. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes results of the following entities:

| Name of the Entity   | Relationship            |
|--|-------------------------|
| 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 |
| Sterling and Wilson (Thailand) Limited   | Wholly owned subsidiary |
| Sterling and Wilson Saudi Arabia Limited   | Wholly owned subsidiary |
| Sterling and Wilson Solar Australia Pty. Ltd.  | Wholly owned subsidiary |
| GCO Solar Pty Ltd. (formerly known as GCO Electrical Pty Ltd.)                             | Wholly owned subsidiary |
| Sterling and Wilson Solar Malaysia Sdn. Bhd.   | Subsidiary              |
| Sterling Wilson – SPCPL - Chint Moroccan Venture   | Subsidiary              |
| Sterling and Wilson Middle East Solar Energy LLC   | Subsidiary              |
| Sterling and Wilson Engineering (Pty) Ltd  | Subsidiary              |
| Sterling and Wilson Solar Spain S.L. (formerly known as Renovable Energia Contracting S.L) | Subsidiary              |
| Sterling and Wilson Solar LLC  | Subsidiary              |

5. **Basis for Qualified Conclusion**

We draw attention to Note 11 to the Statement, the Parent has trade receivable 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 Parent'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 Parent, 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 Parent, 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.

6. **Qualified Conclusion**

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 other auditors referred to in paragraph 8(i) and 8(iii) 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 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.

7. **Emphasis of Matter**

We draw attention to the review report on the unaudited consolidated financial results of Sterling and Wilson International Solar FZCO, a wholly owned subsidiary of the Parent, for the quarter and half year ended September 30, 2021, issued by the independent auditor vide their report dated November 09, 2021, includes the uncertainty related to the outcome of the contractual exchanges with two customers and claim levied by a subcontractor which is described in Note 9 and 10 to the Statement.

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

8. **Other Matters**

- i) We did not review the interim financial information of 14 branches included in the unaudited standalone interim financial results of the Parent, whose interim financial information reflect total assets (before consolidation adjustments) of Rs 1,186.61 crores 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 respective unaudited standalone interim financial results of the Parent. 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.
- ii) The Statement also includes the interim financial information of 1 branch which has not been reviewed, whose interim financial information results reflects 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 Group.

- iii) We did not review the interim financial results of 10 subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total assets (before consolidation adjustments) of Rs. 2,695.67 crore as at September 30, 2021, and total revenues (before consolidation adjustments) of Rs. 790.13 crore and Rs. 1,374.39 crore, total net loss after tax (before consolidation adjustments) of Rs. 171.34 crores and Rs.190.37 crore and total comprehensive loss (before consolidation adjustments) of Rs. 148.21 crore and Rs. 177.18 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. 35.08 crore for the period from April 1, 2021, to September 30, 2021, as considered in the unaudited consolidated financial results. These interim financial results 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.
- iv) 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 other auditors and the conversion adjustments prepared by the Management of the Parent and reviewed by us.
- v) The Statement includes the interim financial results of 8 subsidiaries which have not been reviewed, whose interim financial results reflect total assets (before consolidation adjustments) of Rs. 37.47 crore as at September 30, 2021, and total revenues (before consolidation adjustments) of Rs. Nil and Rs. Nil, total net loss after tax (before consolidation adjustments) of Rs. 4.88 crore and Rs. 5.82 crore and total comprehensive loss (before consolidation adjustments) of Rs. 4.65 crore and Rs. 5.78 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. 0.42 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, these interim financial results of the subsidiaries are not material to the Group.



- vi) 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, pertaining to these subsidiaries 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 their 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

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Fraser**

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***Daraius Z. Fraser***

***PARTNER***

M. No.: 42454

UDIN: 21042454AAAAFU1954

Mumbai: November 13, 2021.



**Sterling and Wilson Solar Limited**

CIN:L74999MH2017PLC292281

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 Six Month Ended September 30, 2021**

| Sr No. | Particulars   | (₹ in crore)             |                          |                          |                          |                          |                        |
|--------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
|        |   | For the quarter ended    |                          |                          | For the six month ended  |                          | Year ended             |
|        |   | 30-Sep-21<br>(Unaudited) | 30-Jun-21<br>(Unaudited) | 30-Sep-20<br>(Unaudited) | 30-Sep-21<br>(Unaudited) | 30-Sep-20<br>(Unaudited) | 31-Mar-21<br>(Audited) |
| 1      | <b>Income</b>   |                          |                          |                          |                          |                          |                        |
|        | Revenue from operations   | 1,438.42                 | 1,194.63                 | 1,336.63                 | 2,633.05                 | 2,404.53                 | 5,080.80               |
|        | Other income  | 31.32                    | 32.57                    | 39.31                    | 63.89                    | 70.79                    | 158.49                 |
|        | <b>Total Income</b>   | <b>1,469.74</b>          | <b>1,227.20</b>          | <b>1,375.94</b>          | <b>2,696.94</b>          | <b>2,475.32</b>          | <b>5,239.29</b>        |
| 2      | <b>Expenses</b>   |                          |                          |                          |                          |                          |                        |
|        | Cost of construction materials, stores and spare parts  | 640.68                   | 460.30                   | 759.02                   | 1,100.98                 | 1,394.77                 | 3,069.10               |
|        | Direct project costs  | 958.90                   | 674.92                   | 461.06                   | 1,633.82                 | 778.99                   | 1,928.35               |
|        | Employee benefits expense   | 59.02                    | 54.60                    | 53.65                    | 113.62                   | 103.33                   | 208.48                 |
|        | Finance costs   | 17.11                    | 12.52                    | 22.42                    | 29.63                    | 47.05                    | 93.09                  |
|        | Depreciation and amortisation expense   | 3.28                     | 3.08                     | 3.73                     | 6.36                     | 7.62                     | 16.51                  |
|        | Other expenses (Refer note 10)  | 74.27                    | 108.52                   | 58.54                    | 182.79                   | 106.50                   | 263.80                 |
|        | <b>Total Expenses</b>   | <b>1,753.26</b>          | <b>1,313.94</b>          | <b>1,358.42</b>          | <b>3,067.20</b>          | <b>2,438.26</b>          | <b>5,579.33</b>        |
| 3      | <b>(Loss) / Profit before tax (1 - 2)</b>   | <b>(283.52)</b>          | <b>(86.74)</b>           | <b>17.52</b>             | <b>(370.26)</b>          | <b>37.06</b>             | <b>(340.04)</b>        |
| 4      | <b>Tax Expense</b>  |                          |                          |                          |                          |                          |                        |
|        | - Current tax   | 0.02                     | 0.25                     | 2.84                     | 0.27                     | 4.03                     | 1.88                   |
|        | - Current tax relating to earlier period / year   | 0.07                     | (0.93)                   | 0.11                     | (0.86)                   | 0.11                     | 9.63                   |
|        | - Deferred tax charge / (credit)  | 0.74                     | (10.04)                  | (0.52)                   | (9.30)                   | 0.61                     | (61.51)                |
| 5      | <b>(Loss) / Profit for the period / year (3 - 4)</b>  | <b>(284.35)</b>          | <b>(76.02)</b>           | <b>15.09</b>             | <b>(360.37)</b>          | <b>32.31</b>             | <b>(290.04)</b>        |
| 6      | <b>Other comprehensive (loss) / 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                     | (0.45)                   | 0.14                     | (0.91)                   | 0.58                   |
|        | - Income tax relating to items that will not be reclassified to profit or loss                          | (0.01)                   | (0.02)                   | 0.12                     | (0.03)                   | 0.23                     | (0.07)                 |
|        | Items that will be reclassified to profit or loss   |                          |                          |                          |                          |                          |                        |
|        | - Effective portion of (losses) / gain on hedging instruments in cash flow hedges                       | 41.92                    | 9.84                     | (1.77)                   | 51.76                    | (65.18)                  | (159.95)               |
|        | - 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                        | 23.74                    | 1.58                     | (16.38)                  | 25.32                    | (15.54)                  | (51.21)                |
|        | <b>Other comprehensive income / (loss) for the period / year (net of income tax)</b>                    | <b>70.03</b>             | <b>69.61</b>             | <b>(11.87)</b>           | <b>139.64</b>            | <b>(62.92)</b>           | <b>(124.78)</b>        |
| 7      | <b>Total comprehensive (loss) / income for the period / year (5 + 6)</b>                                | <b>(214.32)</b>          | <b>(6.41)</b>            | <b>3.22</b>              | <b>(220.73)</b>          | <b>(30.61)</b>           | <b>(414.82)</b>        |
| 8      | <b>(Loss) / Profit for the period / year attributable to:</b>   |                          |                          |                          |                          |                          |                        |
|        | - Owners of the Company   | (284.63)                 | (76.12)                  | 23.42                    | (360.75)                 | 39.84                    | (285.38)               |
|        | - Non-controlling interests   | 0.28                     | 0.10                     | (8.33)                   | 0.38                     | (7.53)                   | (4.66)                 |
| 9      | <b>Other comprehensive (loss) / income for the period / year (net of tax) attributable to:</b>          |                          |                          |                          |                          |                          |                        |
|        | - Owners of the Company   | 69.90                    | 70.12                    | (10.98)                  | 140.02                   | (61.35)                  | (122.80)               |
|        | - Non-controlling interests   | 0.13                     | (0.51)                   | (0.89)                   | (0.38)                   | (1.57)                   | (1.98)                 |
| 10     | <b>Total comprehensive (loss) / income for the period / year attributable to:</b>                       |                          |                          |                          |                          |                          |                        |
|        | - Owners of the Company   | (214.73)                 | (6.00)                   | 12.44                    | (220.73)                 | (21.51)                  | (408.18)               |
|        | - Non-controlling interests   | 0.41                     | (0.41)                   | (9.22)                   | 0.00                     | (9.10)                   | (6.64)                 |
| 11     | Paid-up equity share capital (face value ₹ 1/-)   | 16.04                    | 16.04                    | 16.04                    | 16.04                    | 16.04                    | 16.04                  |
| 12     | Other equity  |                          |                          |                          |                          |                          | 645.84                 |
| 13     | Earnings per equity share (EPS) (of ₹ 1 each) (not annualised)  |                          |                          |                          |                          |                          |                        |
|        | (a) Basic   | (17.75)                  | (4.75)                   | 1.46                     | (22.50)                  | 2.48                     | (17.80)                |
|        | (b) Diluted (Refer note 14)   | (17.75)                  | (4.75)                   | 1.46                     | (22.50)                  | 2.48                     | (17.80)                |
|        | See accompanying notes to the unaudited consolidated financial results                                  |                          |                          |                          |                          |                          |                        |

**Sterling and Wilson Solar Limited**

CIN:L74999MH2017PLC292281

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

**Unaudited Consolidated Statement of Assets And Liabilities as at September 30, 2021**

(₹ in crore)

| Particulars  | As At                    |                        |
|--|--------------------------|------------------------|
|  | 30-Sep-21<br>(Unaudited) | 31-Mar-21<br>(Audited) |
| <b>ASSETS</b>  |                          |                        |
| <b>Non-current assets</b>  |                          |                        |
| (a) Property, plant and equipment  | 27.81                    | 28.29                  |
| (b) Capital work-in-progress   | 0.08                     | 0.07                   |
| (c) Right-of-use assets  | 8.84                     | 9.67                   |
| (d) Other intangible assets  | 7.20                     | 8.38                   |
| (e) Intangible assets under development  | 0.32                     | 0.32                   |
| (f) Financial Assets   |                          |                        |
| (i) Other financial assets   | 4.99                     | 5.94                   |
| (g) Deferred tax assets (net)  | 96.83                    | 120.58                 |
| (h) Non-current tax assets (net)   | 47.96                    | 36.60                  |
| (i) Other non-current assets   | 1.85                     | 14.45                  |
| <b>Total non-current assets</b>  | <b>195.88</b>            | <b>224.30</b>          |
| <b>Current assets</b>  |                          |                        |
| (a) Inventories  | 4.99                     | 3.09                   |
| (b) Financial Assets   |                          |                        |
| (i) Trade receivables  | 1,229.20                 | 848.86                 |
| (ii) Cash and cash equivalents   | 381.12                   | 219.82                 |
| (iii) Bank balances other than (iii) above   | 46.64                    | 71.13                  |
| (iv) Loans   | 1.64                     | 885.99                 |
| (v) Derivatives  | 48.09                    | 1.92                   |
| (vi) Other financial assets  | 622.28                   | 226.47                 |
| (c) Current tax assets (net)   | 1.60                     | 0.88                   |
| (d) Other current assets   | 844.29                   | 1,226.91               |
| <b>Total current assets</b>  | <b>3,179.85</b>          | <b>3,485.07</b>        |
| <b>TOTAL ASSETS</b>  | <b>3,375.73</b>          | <b>3,709.37</b>        |
| <b>EQUITY AND LIABILITIES</b>  |                          |                        |
| <b>Equity</b>  |                          |                        |
| (a) Equity share capital   | 16.04                    | 16.04                  |
| (b) Other Equity   | 426.19                   | 645.84                 |
| Total equity attributable to owners of the Company                                     | 442.23                   | 661.88                 |
| (c) Non-controlling interests  | (4.08)                   | (4.10)                 |
| <b>Total equity</b>  | <b>438.15</b>            | <b>657.78</b>          |
| <b>Liabilities</b>   |                          |                        |
| <b>Non-current liabilities</b>   |                          |                        |
| (a) Financial Liabilities  |                          |                        |
| (i) Borrowings   | 0.00                     | 0.00                   |
| (ii) Lease liabilities   | 8.59                     | 9.11                   |
| (b) Provisions   | 25.83                    | 26.12                  |
| <b>Total non-current liabilities</b>   | <b>34.42</b>             | <b>35.23</b>           |
| <b>Current liabilities</b>   |                          |                        |
| (a) Financial Liabilities  |                          |                        |
| (i) Borrowings   | 673.88                   | 468.35                 |
| (ii) Lease liabilities   | 1.11                     | 1.57                   |
| (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 | 1,644.70                 | 1,772.99               |
| (iv) Derivatives   | 0.75                     | 98.68                  |
| (v) Other financial liabilities  | 54.77                    | 68.08                  |
| (b) Other current liabilities  | 316.58                   | 356.48                 |
| (c) Provisions   | 177.85                   | 152.87                 |
| (d) Current tax liabilities, net   | 10.37                    | 13.59                  |
| <b>Total current liabilities</b>   | <b>2,903.16</b>          | <b>3,016.36</b>        |
| <b>Total liabilities</b>   | <b>2,937.58</b>          | <b>3,051.59</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>3,375.73</b>          | <b>3,709.37</b>        |

**Sterling and Wilson Solar Limited**

CIN:L74999MH2017PLC292281

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

**Unaudited Consolidated Statement of Cash flows for the Six Month Ended September 30, 2021**

| Particulars   | (₹ in crore)                     |                                  |
|---|----------------------------------|----------------------------------|
|   | 30-Sep-21<br>(Unaudited)         | 30-Sep-20<br>(Unaudited)         |
| <b>Cash flows from operating activities</b>   |                                  |                                  |
| <b>(Loss) / Profit before tax</b>   | (370.26)                         | 37.06                            |
| <i>Adjustments for:</i>   |                                  |                                  |
| Depreciation and amortisation expense   | 6.36                             | 7.62                             |
| Expected credit loss on financial assets  | 6.68                             | 0.03                             |
| Write back of provision for bad and doubtful debts  | (0.01)                           |                                  |
| Supplier balances/ liabilities written back   |                                  | (0.49)                           |
| Loss / (Profit) on sale of property, plant and equipments (net)   | (1.00)                           | -                                |
| Provision for liquidated damages  |                                  | 6.26                             |
| Finance costs   | 29.63                            | 47.05                            |
| Interest income   | (39.20)                          | (66.10)                          |
| Provision for foreseeable losses  | 22.79                            |                                  |
| Provision for mark-to-market loss on derivative instruments   | 103.15                           | 0.79                             |
| Unrealised foreign exchange loss (net)  | 38.65                            | 18.57                            |
| <b>Operating (Loss) / Profit before working capital changes</b>   | <b>(203.21)</b>                  | <b>50.79</b>                     |
| <i>Working capital adjustments:</i>   |                                  |                                  |
| (Increase) in inventories   | (1.90)                           | (37.07)                          |
| (Increase) / decrease in trade receivables  | (397.85)                         | 916.75                           |
| Decrease / (increase) in loans and advances   | 18.44                            | (0.43)                           |
| (Increase) in other financial assets and derivative assets  | (419.59)                         | (72.81)                          |
| Decrease / (increase) in other current assets   | 382.62                           | (115.02)                         |
| (Increase) in restricted cash   | (2.42)                           | (2.92)                           |
| (Decrease) in trade payable, derivatives, other financial liabilities, other liabilities and provisions | (360.57)                         | (471.53)                         |
| Decrease / (increase) in other non-current assets   | 12.60                            | (1.22)                           |
| <b>Net change in working capital</b>  | <b>(768.67)</b>                  | <b>215.75</b>                    |
| <b>Cash flows (used in) / generated from operating activities</b>                                       | <b>(971.88)</b>                  | <b>266.54</b>                    |
| Income tax (paid) (net)   | (14.81)                          | (8.54)                           |
| Effects of exchange differences on translation of assets and liabilities                                | 25.32                            | (15.54)                          |
| <b>Net cash flows (used in) / generated from operating activities</b>                                   | <b>(961.37)</b>                  | <b>242.46</b>                    |
| <b>Cash flows from investing activities</b>   |                                  |                                  |
| (Purchase) of property, plant and equipment, capital work in progress and intangible assets             | (5.41)                           | (13.87)                          |
| Proceeds from / (investment) in fixed deposits (net)  | 22.69                            | (54.54)                          |
| Proceeds from redemption of mutual funds  | -                                | 0.27                             |
| Interest received   | 45.20                            | 53.27                            |
| Inter-corporate deposits/loans repaid by fellow subsidiaries  | 885.25                           | 62.39                            |
| <b>Net cash flows generated from investing activities</b>   | <b>947.73</b>                    | <b>47.52</b>                     |
| <b>Cash flows from financing activities</b>   |                                  |                                  |
| Proceeds from cash credit (net)   | -                                | 30.07                            |
| Proceeds from / (repayment) of secured and unsecured short-term borrowings (net)                        | 205.54                           | (307.46)                         |
| Finance costs paid  | (29.29)                          | (51.04)                          |
| Repayment of lease liabilities  | (1.52)                           | (1.40)                           |
| <b>Net cash flows generated from / (used in) financing activities</b>                                   | <b>174.73</b>                    | <b>(329.83)</b>                  |
| <b>Net movement in currency translation</b>   | <b>0.21</b>                      | <b>0.32</b>                      |
| <b>Net Increase / (decrease) in cash and cash equivalents</b>   | <b>161.30</b>                    | <b>(39.53)</b>                   |
| Cash and cash equivalents - Opening balance   | 219.82                           | 463.28                           |
| <b>Cash and cash equivalents - Closing balance</b>  | <b>381.12</b>                    | <b>423.75</b>                    |
| <b>Particulars</b>  | <b>For the six months ended</b>  |                                  |
|   | <b>30-Sep-21<br/>(Unaudited)</b> | <b>30-Sep-20<br/>(Unaudited)</b> |
| <b>Reconciliation of cash and cash equivalents as per the Consolidated Statement of Cash Flows</b>      |                                  |                                  |
| Cash and cash equivalents as per the above comprise of the following:                                   |                                  |                                  |
| Cash and cash equivalents as per the Consolidated Statement of Assets and Liabilities                   | 381.12                           | 423.75                           |
| Less: Bank overdrafts repayable on demand   | -                                | -                                |
| <b>Cash and cash equivalents as per the Consolidated Statement of Cash Flows</b>                        | <b>381.12</b>                    | <b>423.75</b>                    |



**Sterling and Wilson Solar Limited**

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**Unaudited Consolidated Segment-Wise Revenue, Assets, Liabilities and Capital Employed for the Quarter and Six Month Ended September 30, 2021**

| Particulars  | For the quarter ended |                 |                 | For the six months ended |                 | (₹ in crore)    |
|--|-----------------------|-----------------|-----------------|--------------------------|-----------------|-----------------|
|  | 30-Sep-21             | 30-Jun-21       | 30-Sep-20       | 30-Sep-21                | 30-Sep-20       | Year ended      |
|  | (Unaudited)           | (Unaudited)     | (Unaudited)     | (Unaudited)              | (Unaudited)     | (Audited)       |
| <b>Segment Revenue</b>   |                       |                 |                 |                          |                 |                 |
| Solar EPC business   | 1,376.45              | 1,133.40        | 1,278.77        | 2,509.85                 | 2,283.21        | 4,825.75        |
| Operation and maintenance service                              | 61.97                 | 61.22           | 57.84           | 123.19                   | 121.30          | 252.07          |
| <b>Total</b>   | <b>1,438.42</b>       | <b>1,194.62</b> | <b>1,336.61</b> | <b>2,633.04</b>          | <b>2,404.51</b> | <b>5,077.82</b> |
| Other operating income   | -                     | 0.01            | 0.02            | 0.01                     | 0.02            | 2.98            |
| <b>Revenue from operations</b>                                 | <b>1,438.42</b>       | <b>1,194.63</b> | <b>1,336.63</b> | <b>2,633.05</b>          | <b>2,404.53</b> | <b>5,080.80</b> |
| <b>Segment Results</b>   |                       |                 |                 |                          |                 |                 |
| Solar EPC business   | (216.53)              | (39.22)         | 83.48           | (255.75)                 | 166.93          | (81.52)         |
| Operation and maintenance service                              | 24.11                 | 21.39           | 16.25           | 45.50                    | 46.63           | 99.79           |
| <b>Total</b>   | <b>(192.42)</b>       | <b>(17.83)</b>  | <b>99.73</b>    | <b>(210.25)</b>          | <b>213.56</b>   | <b>18.27</b>    |
| Add: Unallocable income  | 31.29                 | 29.35           | 36.58           | 60.64                    | 66.61           | 136.60          |
| Less: Unallocable expenditure                                  | (122.39)              | (98.26)         | (118.79)        | (220.65)                 | (243.11)        | (494.91)        |
| <b>Total (Loss) / Profit before tax</b>                        | <b>(283.52)</b>       | <b>(86.74)</b>  | <b>17.52</b>    | <b>(370.26)</b>          | <b>37.06</b>    | <b>(340.04)</b> |
| <b>Segment Assets</b>  |                       |                 |                 |                          |                 |                 |
| Solar EPC business   | 1,888.45              | 1,662.32        | 2,006.99        | 1,888.45                 | 2,006.99        | 1,887.96        |
| Operation and maintenance service                              | 196.43                | 169.88          | 137.77          | 196.43                   | 137.77          | 150.39          |
| Unallocated  | 1,290.85              | 1,577.74        | 2,158.32        | 1,290.85                 | 2,158.32        | 1,671.02        |
| <b>Total</b>   | <b>3,375.73</b>       | <b>3,409.94</b> | <b>4,303.08</b> | <b>3,375.73</b>          | <b>4,303.08</b> | <b>3,709.37</b> |
| <b>Segment Liabilities</b>                                     |                       |                 |                 |                          |                 |                 |
| Solar EPC business   | 2,025.40              | 2,076.42        | 2,049.17        | 2,025.40                 | 2,049.17        | 2,358.01        |
| Operation and maintenance service                              | 67.93                 | 80.21           | 72.70           | 67.93                    | 72.70           | 53.84           |
| Unallocated  | 844.25                | 601.91          | 1,139.17        | 844.25                   | 1,139.17        | 639.74          |
| <b>Total</b>   | <b>2,937.58</b>       | <b>2,758.54</b> | <b>3,261.04</b> | <b>2,937.58</b>          | <b>3,261.04</b> | <b>3,051.59</b> |
| <b>Capital Employed (Segment Assets - Segment Liabilities)</b> |                       |                 |                 |                          |                 |                 |
| Solar EPC business   | (136.95)              | (414.10)        | (42.18)         | (136.95)                 | (42.18)         | (470.05)        |
| Operation and maintenance service                              | 128.50                | 89.67           | 65.07           | 128.50                   | 65.07           | 96.55           |
| Unallocated  | 446.60                | 975.83          | 1,019.15        | 446.60                   | 1,019.15        | 1,031.28        |
| <b>Total</b>   | <b>438.15</b>         | <b>651.40</b>   | <b>1,042.04</b> | <b>438.15</b>            | <b>1,042.04</b> | <b>657.78</b>   |

**Sterling and Wilson Solar Limited**

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

**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 meetings held on November 12, 2021 and November 13, 2021, respectively. 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 Sterling and Wilson Solar Limited ('Parent Company' or 'Holding Company'). There are qualifications in the review report for the quarter and six month ended September 30, 2021.
- 3 Financial results of Sterling and Wilson Solar Limited (Standalone information):

| Particulars                  | For the quarter ended |           |           | For the six month ended |           | Year ended |
|------------------------------|-----------------------|-----------|-----------|-------------------------|-----------|------------|
|                              | 30-Sep-21             | 30-Jun-21 | 30-Sep-20 | 30-Sep-21               | 30-Sep-20 | 31-Mar-21  |
| Total Income                 | 988.51                | 879.65    | 500.62    | 1,868.16                | 1,155.98  | 3,330.12   |
| (Loss) before tax            | (57.57)               | (45.10)   | (21.45)   | (102.67)                | (45.34)   | (142.67)   |
| (Loss) for the period / year | (42.04)               | (35.16)   | (19.56)   | (77.20)                 | (38.25)   | (111.44)   |

- 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 Holding 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 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 On 27 March 2019, The Board of Directors of the Holding 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 Holding 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.
- 6 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/ loans payable by fellow subsidiaries to the Holding Company and its subsidiary company. The entire amount has now been repaid along with all interest accrued thereagainst.
 

The Holding Company has responded to queries on this matter raised by the concerned authorities. The Holding Company, based on independent opinions from legal experts, has determined that there is no non-compliance with any provisions of the Companies Act, 2013 and/or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 by the Holding Company, in respect of this matter.
- 7 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 Holding Company. Two of the projects are virtually completed and the third one is substantially completed. The Senior management of the Holding 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.
- 8 The outbreak of the Coronavirus (COVID-19) pandemic globally continues to cause significant disturbance and slowdown of economic activity. During the quarter ended 30 June 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 Group has faced liquidity challenges during the quarter.
 

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

The Group has used the principles of prudence in applying judgements, estimates and assumption and based on the current estimates' Management has assessed the impact of existing and anticipated impact of COVID-19 on future projected cash-flows. Based on all the above the Management believes that the Group will continue its business in the foreseeable future, so as to be able to realise its assets and discharge its liabilities in the normal course.
- 9 A Subsidiary Company has received intimation for liquidated damages from two of its customers for an amount of approximately Rs 164.18 crore. The Subsidiary Company has sent its responses refuting such liquidated damages and has sought extension of time due to various circumstances (including but not limited to the impact of the COVID-19 pandemic). Further, the Subsidiary Company has also made a counter claim of Rs 100.87 crore for additional cost incurred mainly due to the impact of the COVID 19 pandemic. Contractual documentation is being exchanged and based on management's best estimate, no provision for liquidated damages is required to be made.
- 10 During the year ended 31 March 2021, a significant subcontractor in a particular geography filed for bankruptcy. The subcontractor has levied a claim on a Subsidiary Company for approximately Rs 93.30 crore which has been refuted by the management. The Subsidiary Company has filed a counter claim on the subcontractor for an amount of Rs 85.09 crore for noncompliance with contractual obligations. In the opinion of the management, the subcontractor's claim is not tenable and accordingly, based on management's best estimate, no provision is required to be made for the same.

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

**Notes : (Continued)**

- 11 The Holding Company, entered into a contract for a 100 MW AC Photovoltaic plant in the state of Karnataka with an infrastructure company ("customer") to cater to inhouse power demands of the large office space facilities at Bangalore of a real estate developer ("developer"). The works were majorly completed by end February 2018 and the balance work was pending due to non-availability of land, which was in the scope of the customer. In October 2018, the National Company Law Tribunal ("NCLT") actions were initiated against the customer group and the Company issued a work suspension notice to the customer, for balance of payments, with a copy to the developer. The developer issued directions to the Company, vide a letter, to go ahead with the works/maintenance of the plant where in they also assured the Company that they would make the payment if the customer failed to pay. As on date, the customer owes SWSL 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 SWSL, after confirmation both from the customer and their bank, became due. Due to the NCLT actions against the customer group, the customer's bank refused to make the payment to the Holding Company's bank citing prevention against doing the same due to the NCLT order, and the Holding Company had to return the amount back to its bank.
- During the year ended 31 March 2020, the Holding 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 Holding Company had sought legal opinion regarding the amount due from the developer as per their assurance letter and from the customer's bank due to failure to pay confirmed Letters of Credit and has been advised that the said amounts are recoverable. The amount of 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 June 2021, based on Management's best estimate of collection of the aforementioned receivables as at 30 September 2021.
- 12 Other expenses during the six months ended 30 September 2021 include forward contract cancellation charges aggregating to Rs 98.73 crores. A few of these contracts, with a corresponding cost of Rs 59.94 crores, 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.
- 13 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.
- 14 The Group 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.
- 15 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**

**Khurshed**  
**Yazdi Daruvala**

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Khurshed Yazdi Daruvala  
Date: 2021.11.13 10:51:59  
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**Khurshed Daruvala**  
**Chairman**  
**DIN: 00216905**

Date : November 13, 2021  
Place : Mumbai

**Daraius**  
**Zarir**  
**Fraser**

Digitally signed by Daraius Zarir Fraser  
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