STERLING & WILSON

June 21, 2023

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 **Scrip Code: 542760 (Equity)** **Scrip Code: 725032 (CP)**	**National Stock Exchange of India Limited** Exchange Plaza Bandra Kurla Complex Bandra (East), Mumbai – 400 051 **Symbol: SWSOLAR**

Sub.: Annual Report of Sterling and Wilson Renewable Energy Limited ("the Company") for the Financial Year 2022-23 along with the Business Responsibility and Sustainability Report ("BRSR") and Notice of the 6th Annual General Meeting ("6th AGM")

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

Dear Sir/ Madam,

Pursuant to Regulations 30 and 34 of the SEBI Listing Regulations, please find enclosed herewith the Annual Report of the Company for the Financial Year 2022-23, BRSR and the Notice of the 6th AGM of the Members of the Company. The Notice of the 6th AGM is given on Page Nos. 15 to 30 of the Annual Report.

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

1) The 6th AGM of the Company will be held on **Thursday, July 13, 2023** at **02:00 p.m. (IST)** through Video Conferencing ("VC")/ Other Audio - Visual Means ("OAVM");
2) The Notice of the 6th AGM along with the Annual Report and BRSR is being sent today, only by electronic mode to those Shareholders whose email address is registered with the Depository Participant(s)/ the Company/ the Company's Registrar and Share Transfer Agent; and
3) Pursuant to Regulation 44 of SEBI Listing Regulations and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company has provided e-voting facility to enable the Members to cast their votes electronically.

The Notice of the 6th AGM of the Company *inter alia* indicates the process and manner of remote e-voting/ e-voting at the 6th AGM and instructions for participation at the 6th AGM through VC/ OAVM.

The said Annual Report is also available on the website of the Company at www.sterlingandwilsonre.com

The agenda items proposed to be taken up at the 6th AGM are as follows:

Sr. No.	Agenda item	Resolution to be passed
1	a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, and the reports of the Board and the Auditors thereon. b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, and the report of the Auditors thereon.	Ordinary Resolution
2	To approve appointment of Mr. Umesh Khanna (DIN: 03634361) as a Non-Executive Director of the Company to fill up the vacancy of the retiring Director Mr. Pallon Mistry, who retires at this Annual General Meeting.	Ordinary Resolution
3	To approve appointment of Branch Auditors.	Ordinary Resolution
4	To approve the waiver of recovery of excess remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the financial year 2022-23.	Special Resolution
5	To approve re-appointment of Mr. Chandra Kishore Thakur as the Manager of the Company for a term of 2 (Two) years.	Special Resolution

Request you to take the same on records.

Thanking you.

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

Venkata Jagannadha Rao Chunduru

Digitally signed by Venkata Jagannadha Rao Chunduru
Date: 2023.06.21 14:10:20 -04'00'

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

2022-23
Annual Report

STERLING & WILSON

RESILIENT TODAY.
STRONGER TOMORROW.

What's Inside?

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

Excellent track record

₹4,913 Crore of Unexecuted Order Value

14.7 GWp Total EPC Portfolio
9.4 GWp Executed Portfolio
5.3 GWp Under-Construction Portfolio

262 EPC Projects
246 Executed Portfolio
16 Under-Construction Portfolio

6.4 GWp O&M Portfolio

57% Third-Party O&M Contracts

Presence across **29** Countries

Strong team of **~1,200** Employees

RESILIENT TODAY.
STRONGER TOMORROW.

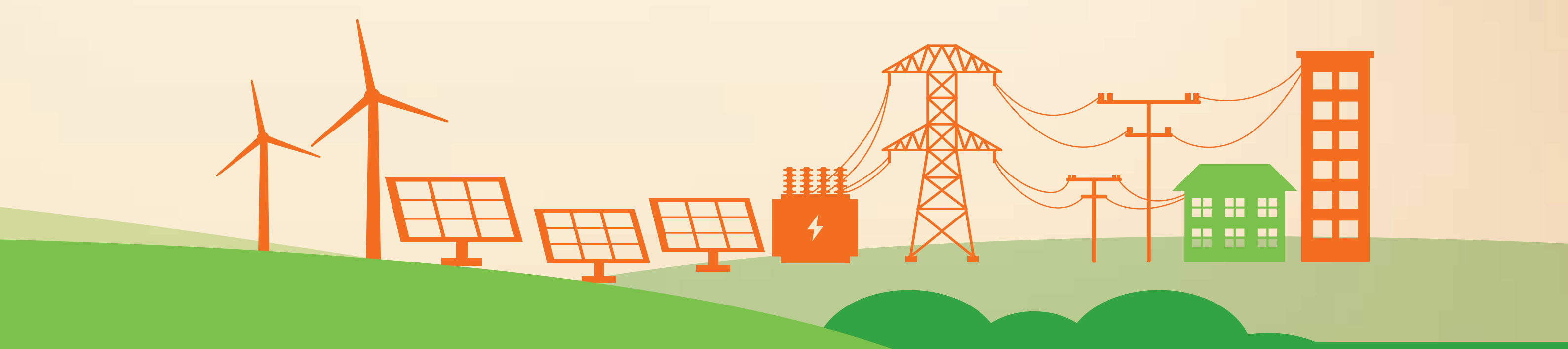
Despite a challenging macro-economic environment and a difficult industry scenario, we anchored ourselves to our purpose and values and remained deeply focussed on anticipating a change in trends.

We are one of the leading pure-play global renewable energy EPC players with rich operational experience and significant presence worldwide. We continue to dominate the space and augment our geographical presence to maintain an overall global leadership position. Guided by a management with strong credentials and unyielding financial discipline, we continue to work vigorously to implement well thought-out and rewarding business strategies during the year.

Despite a tough global environment, growth in the domestic market and robust O&M vertical added visibility to our business, advanced our growth strategy and set us up for a brighter future. What further added to our resilience was a unique portfolio, deep industry expertise, distinctive capabilities and footprint, sustainable supply chains and operational excellence. And lastly, our high-performing, engaged and dedicated workforce continue to be our most valuable asset that supported us unwaveringly in the challenging times.

Through our sustainable and scalable business model, we continue to leverage our strategic positioning and competitive market advantages. We laid the foundation to balance sustainable growth and create long-term value for all stakeholders. We also demonstrated our resilience and ability to consistently respond to customer needs. We navigated industry challenges by differentiating our business sufficiently.

Going forward, our global expertise, world-class technology, project management capabilities, strong stakeholder relationships and an expansion of our renewable energy offerings will help us gain an even stronger foothold in the energy market of the future, consolidating leadership and enhancing value for our stakeholders.



Resetting The Future

Market Leadership

At Sterling and Wilson Renewable Energy Limited (SWREL), we are among the world's leading end-to-end renewable energy EPC solutions provider, with several decades of engineering experience and a strong global manpower of ~ 1,200 employees.

Our Parentage

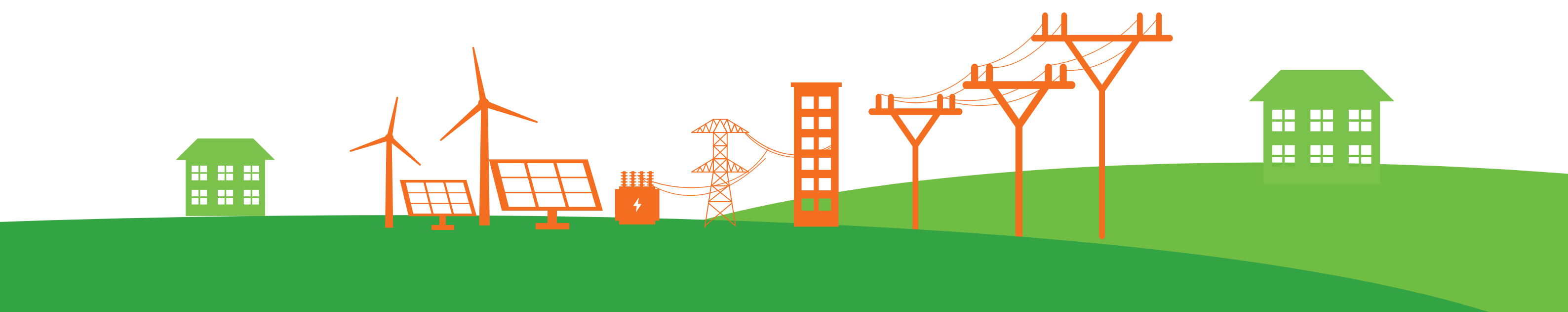
Having commenced operations in 2011, we were earlier a part of our erstwhile promoter, the Shapoorji Pallonji Group. In 2022, we became a part of Reliance Industries Limited (RIL), through its subsidiary Reliance New Energy Limited (RNEL). Our association with RIL has further reinforced our position as a global EPC and a leading Solar O&M player.

Earning Global Recognition

We have established a regional presence in 29 countries globally, with significant cost benefit and timely execution of projects. We have established our projects and also a strong presence in the key markets of Australia, United States and Chile.

Customised EPC, BoS and O&M Solutions

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

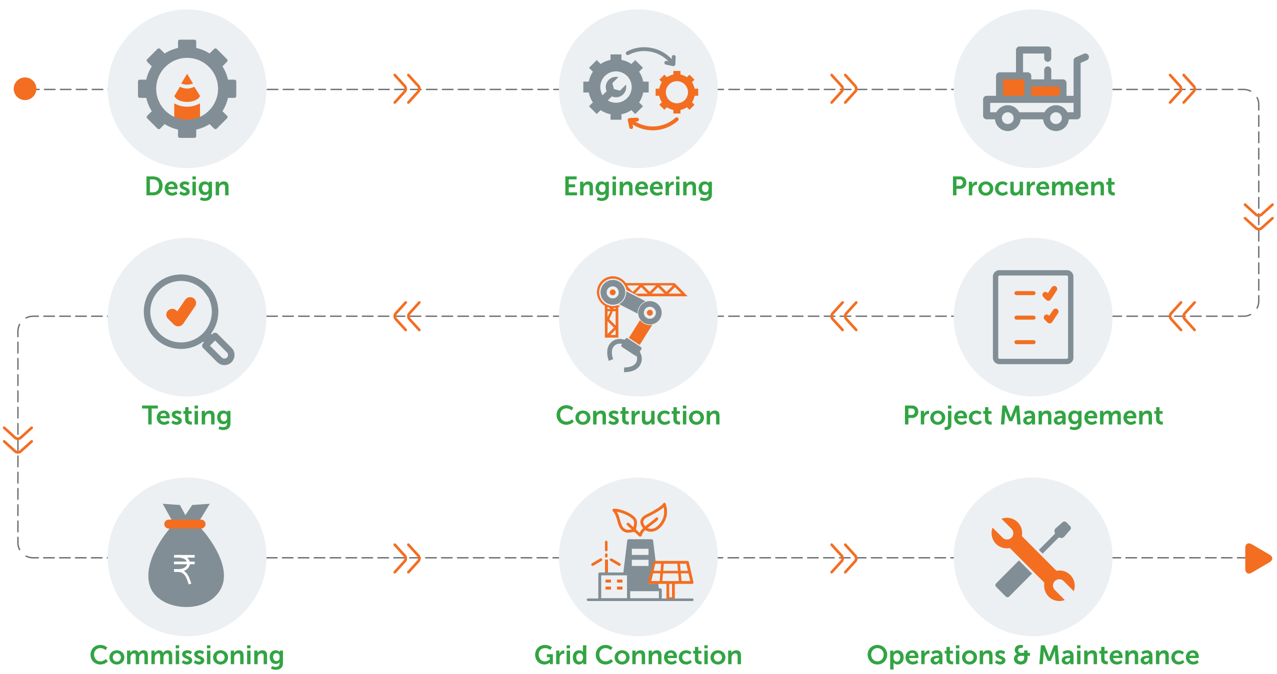


Offering Turnkey EPC Services

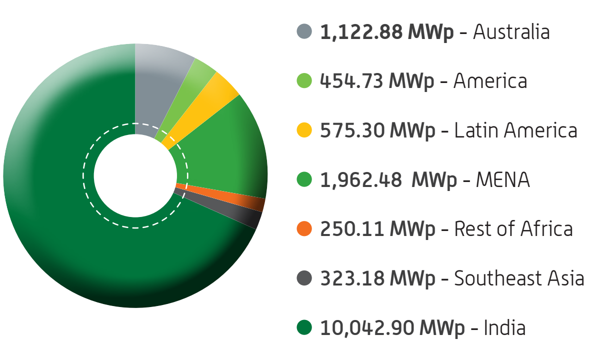
We provide turnkey EPC services for utility-scale, floating solar, and hybrid and energy storage solutions. We also manage an Operations & Maintenance (O&M) portfolio, which also includes projects constructed by third parties.

End-to-End Concept-to-Commissioning Renewable Energy EPC Player

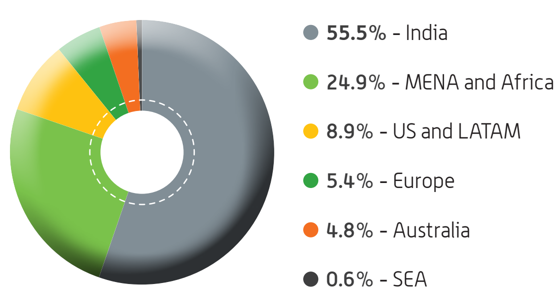
Managing all aspects of Project Execution



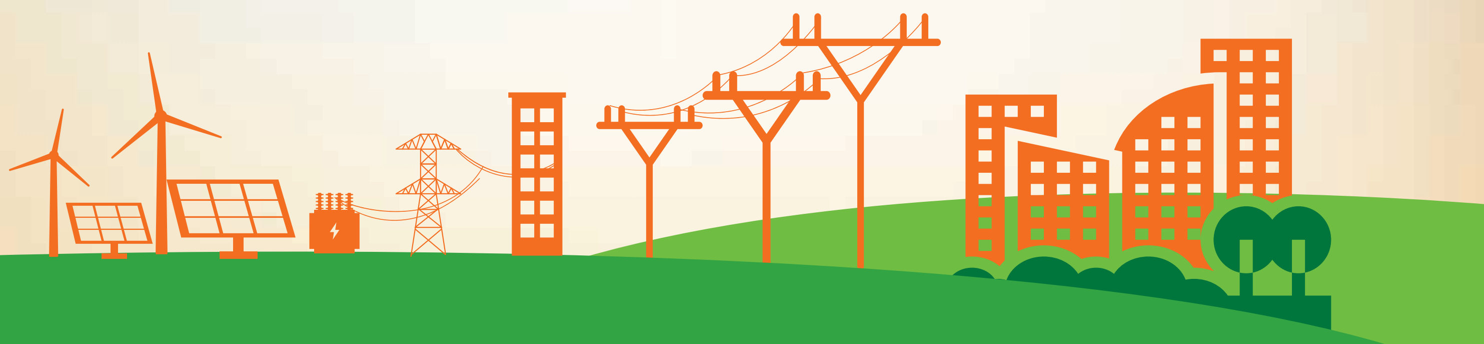
Break-up of our 14.7 GWp Global EPC Portfolio



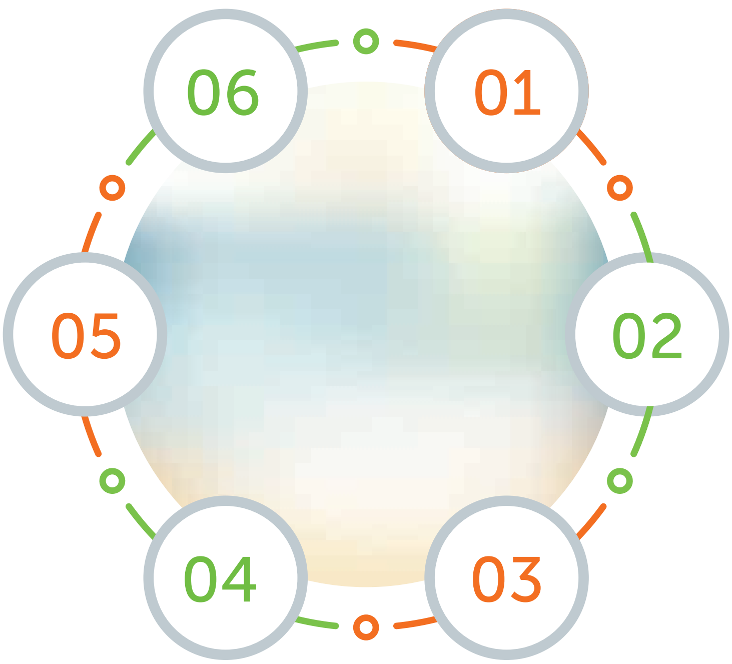
Bid Pipeline for FY2024 - 21.6 GW



An Expanding Presence



Our Key Market Differentiators



Vast Experience

Strong track record of executing complex and large-scale EPC projects, leading to high customer retention and repeat business

Global Presence

One of the only global pure-play solar EPC players with a significant presence and operational experience across geographies

Quick Decision-Making

Making quick decisions with well-established and disciplined internal processes which lead to timely execution of projects

Cost Effective Solutions

Leveraging the low-cost India base for global project execution with cost effective EPC and O&M solutions

Strong Relationships

Maintaining strong relationships with customers and other key stakeholders

Best Talent Pool

Strong inhouse design and engineering team providing customised solutions

Chairman's Message to Shareholders

Dear Shareholders,

It is with great pleasure that I address all of you today, as we collectively navigate through the challenges posed by the macro-economic landscape. I want to express my sincere appreciation for the unwavering commitment and dedication shown by every member of the SWREL family. Your efforts have been instrumental in helping us overcome the obstacles of the past year, and I am confident that together, we will continue to make remarkable progress on our journey forward.

I take immense pride in stating that SWREL has once again emerged as one of India's leading solar EPC companies. Our success is a testament to the trust placed in us by our stakeholders and the leadership we have demonstrated in winning and executing complex projects, both domestically and globally. We have established an impressive portfolio of EPC projects, totalling 14.7 GWp of capacity, along with a strong O&M portfolio of 6.4 GWp.

Our partnership with Reliance Industries has been a significant advantage for us. As RIL accelerates its commitment to establish a new energy manufacturing ecosystem and transitions towards Green Hydrogen by 2025, we at SWREL stand to benefit from their vision, financial strength, credibility, and robust supply chain. This partnership provides us with strong revenue visibility and positions us favourably in the market.

Over the years we have established a strong brand reputation due to our unwavering commitment to timely execution, risk management strategies, and a steady focus on quality. This is a reputation we wish to continue to build upon from year to year.

Industry challenges

Throughout last year, to add to the tough macroeconomic environment and geopolitical tensions, the industry was buffeted by the rising cost of solar modules, which make up 55-60% of the cost of a solar project. This rise was driven by higher commodity prices primarily on account of silicon, as well as logistics and supply chain issues, including shortage of shipping containers. Rising steel costs and freight costs adversely impacted anticipated returns (ROE) of solar power projects, and even led to some developers postponing project plans.

Talking about India in particular, most of the country's solar panels are imported from China where polysilicon prices and overall panel prices had nearly doubled for some time, creating inflationary pressures on solar projects. This, coupled with the sudden rise in commodity prices, especially the prices of aluminium, copper and steel, created an extremely challenging execution environment for us.

Resilient today. Stronger tomorrow.

Despite these challenges, I am proud to report that we have successfully delivered projects in the most demanding geographies including the US, Australia and Chile. Our in-depth understanding of our customers' needs, coupled with an excellent execution track record and access to cutting-edge technology, reinforces our commitment to delivering all projects successfully.

"

DESPITE THESE CHALLENGES, I AM PROUD TO REPORT THAT WE HAVE SUCCESSFULLY DELIVERED PROJECTS IN THE MOST DEMANDING GEOGRAPHIES INCLUDING THE US, AUSTRALIA AND CHILE. OUR IN-DEPTH UNDERSTANDING OF OUR CUSTOMERS' NEEDS, COUPLED WITH AN EXCELLENT EXECUTION TRACK RECORD AND ACCESS TO CUTTING-EDGE TECHNOLOGY, REINFORCES OUR COMMITMENT TO DELIVERING ALL PROJECTS SUCCESSFULLY.

We managed to achieve some prestigious project wins during the year. Our operations were well-supported by a competent and sizeable 175-strong design & engineering team in India and Dubai. They were responsible for designing innovative and cost-effective solutions and offering a cost-arbitrage in geographies with high resource costs.

Today, we foresee healthy traction in key markets such as India, the US, Australia, and South America, with the total addressable market for solar EPC set to grow by 14-15% per annum.

Performance in FY 2023

Amidst an arduous environment, SWREL's Revenue from the EPC business stood at ₹ 1,823.5 crore, compared to ₹ 4,974.5 crore in the earlier year. The EPC business contributed 90.5% to the overall revenue, from 95.7% a year earlier. The Unexecuted Order Value stood at ₹ 4,913 crore as on 31st March 2023. Revenue of the O&M business was ₹ 189.9 crore vs. ₹ 222.9 crore. The O&M business constituted 9.5% of total revenue, compared to 4.3% earlier. O&M gross margins were impacted by projects where O&M costs were incurred, however, revenue recognition in these projects has not yet commenced owing to - delays in final handover. The EBIT

SWREL'S PROVEN TRACK RECORD OF CONSISTENTLY EXCEEDING PERFORMANCE GUARANTEES ENSURES HIGH LEVELS OF CUSTOMER SATISFACTION, PARTICULARLY IN THE O&M SEGMENT. OUR O&M PLANTS ACHIEVE AN IMPRESSIVE AVERAGE AVAILABILITY OF 99.7%, SURPASSING THE INDUSTRY NORM OF 99.5%.

margin stood at 4.8% in FY 2022-23, as compared to 24.9% in FY 2021-22.

Maintaining our "India" focus

Historically, India has been a profitable market for SWREL. 2022 has been the year of growth in the Indian solar EPC market. As the nation is set to raise its non-fuel-based energy capacity to 500 GW, it plans to fulfil 50% of its energy requirement from renewables by 2030, capturing the solar energy value chain fully and optimally. Creating the right infrastructure to build up capacity quickly will be crucial for the growth of renewables in the near future.

Amidst this boom, SWREL has emerged as one of the top players in the domestic market in terms of order booking. Despite an expanding geographic presence globally, our focus will continue to be on India as the renewable landscape is evolving towards a substantially high market size, of which we intend to capture a significant share. We are indeed in a sweet spot now, with policy encouragement giving us the required optimism. We are targeting an order booking of 3-4 GWp from the Indian market.

Performance in other parts of the world

Australia accounts for the bulk of our revenue at 40%, ahead of North America (22%), India (31%), Latin America (4%), Middle East and North Africa (2%), and the Rest of Africa (1%). Despite all the difficulties and headwinds faced by the EPC markets in the US and Australia, including but not limited to an increase in labour costs and a subsequent increase in site overheads due to loss of productivity which suppressed our margins, we are still the #1 player in Australia, having delivered our projects even during the COVID-19 pandemic and the commodity super cycle.

SWREL is currently working on some of the biggest solar projects in Australia, including the 400 MW Western Downs solar farm being constructed in southern Queensland. We are also bidding and are hopeful of maintaining a large market share, which will help us take our margins back to normalised levels in the near future.

Unparalleled O&M expertise and opportunities

SWREL's proven track record of consistently exceeding performance guarantees ensures high levels of customer satisfaction, particularly in the O&M segment. Our O&M plants achieve an impressive average availability of 99.7%, surpassing the industry norm of 99.5%. We have also established an internationally certified mobile module testing laboratory, enabling efficient on-site module testing. Additionally, our cutting-edge network operations centre provides real-time business insights as an invaluable service to our clients around the globe.

Through digitisation, we are driving towards fully automated operations and revolutionising the industry with an "uberisation" approach to manpower utilisation - right from surveillance to module cleaning and remote monitoring. These advancements enhance plant performance and will pave the way for a more streamlined and efficient O&M process.

With renewable energy playing a noteworthy role in India's energy transition, an ever-appealing opportunity transcends the solar O&M industry. India's solar footprint has matured from 3.7 GW in 2015 to over 60+ GW in FY2022. With this, domestic solar O&M has emerged as a separate, lucrative market with its own landscape and dynamics. As more and more solar plants get stable, an increasing number of O&M contracts are getting re-tendered, presenting a growing opportunity for O&M providers like us. We are consistently growing our O&M portfolio, with a greater focus on third-party O&M in international markets through both organic and inorganic routes.

Becoming a diversified renewables company

As a home-grown Indian company, we are continuously working with different stakeholders to support the country's renewable energy vision. We remain highly optimistic about future investments in the clean energy market, and today we are delighted to increase our EPC offerings in this space to cater to the massive capacity additions being planned across the nation as well as around the world.

As a large part of the global market moves towards micro-grids based on 100% renewable energy, and with an increased focus globally on low-carbon energy consumption, battery storage is becoming the need of the hour, as it is ideally suited to overcome the intermittency issues related to renewable energy, particularly solar and wind. As SWREL's offerings are expanding to also include hybrid energy (Wind + Solar, Wind + BOS) and waste-to-energy solutions, our immediate aim is to improve our market share in the battery storage and green hydrogen spaces. This is a logical extension of our business, thereby making us a diversified renewables company in the rapidly growing ESG market.

Our long-term plan includes adding a capacity of 2 GW every year.

Readying for a better and brighter future

With module prices coming down once again and with the intensifying energy crisis resulting from the Russia-Ukraine conflict, renewable energy has emerged as the most promising solution for ensuring energy security. An unprecedented surge in the sector is anticipated over the next five years. Considering the abundant opportunities at hand and the government's strong support for the renewable energy sector, we hold a profound confidence in the future that awaits us. Our optimism also stems from the fact that India is working towards becoming the 4th largest renewable energy market by 2030, accounting for 9% of all global renewable energy usage.

We are emphasising on enhancing our business in margin-accretive regions, and also maintaining a strategic focus on markets with conducive solar power policies and high solar resources. Together, let us forge ahead towards a brighter and more resilient future.

I want to express my sincere appreciation to the Board members, leadership team, employees, suppliers, and business partners for their constant support in serving our customers.

Thank you once again to all our shareholders for your belief and guidance as we advance towards our mission of shaping a sustainable and secure energy landscape for future generations.

Regards,

Khurshed Daruvala

Chairman

Our Diversified and Experienced Board

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

Khurshed Daruvala holds a bachelor's degree in commerce from the University of Mumbai and is an associate member of the Institute of Chartered Accountants of India (ICAI). He has been part of the Sterling and Wilson Group for almost 27 years. He has been on the Board of Sterling and Wilson Renewable Energy Limited since April 25, 2018.

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

Pallon Mistry holds a master's degree in strategic management from Imperial College, London. He is on the board of several companies including Shapoorji Pallonji and Company Private Limited, Afcons Infrastructure Limited, Shapoorji Pallonji Infrastructure Capital Company Private Limited, Shapoorji Pallonji Oil and Gas Private Limited and Sterling and Wilson Private Limited. He has been on the Board of Sterling and Wilson Renewable Energy Limited since August 02, 2018.

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

Balanadu Narayan has done master's in chemical engineering from IIT – Madras. He has a rich and varied work experience of nearly 5 decades out of which over 4 decades are with Reliance Group. He is well recognised as an industry stalwart in his domain. His experience spans project management and procurement of process technologies, engineering services and capital equipment. He was closely involved with the implementation of polyester, petro chemicals, elastomers and refinery projects of Reliance Industries Limited at Patalganga, Silvassa, Hazira and Jamnagar. In his current role as the Chief Procurement Officer, he is leading a team of procurement professionals in cost optimisation, new initiatives in manufacturing and implementation of digital solutions for procurement and contracting functions. He has been on the Board of Sterling and Wilson Renewable Energy Limited since April 07, 2022.

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

Saurabh Agarwal has done his Bachelor's in mechanical engineering from IIT – Roorkee. He has a rich and varied work experience of 27 years with Reliance Group. His experience spans in various senior positions in fibres, petrochemicals, refining & marketing and exploration & production businesses of Reliance. He has been on the Board of Sterling and Wilson Renewable Energy Limited since April 07, 2022.

Mr. Keki Elavia
Non-Executive,
Independent Director

Keki Elavia holds a bachelor's degree in commerce from the University of Mumbai and is a practising Chartered Accountant. He is a fellow member of the ICAI. He has, in the past, served as a partner of Kalyaniwalla & Mistry, Chartered Accountants and S.R. Batliboi & Co, Chartered Accountants. He has over 43 years of experience in Audit and Finance related matters. He has been on the Board of Sterling and Wilson Renewable Energy Limited since March 27, 2019.

Ms. Rukhshana Mistry
Non-Executive,
Independent Director

Rukhshana Mistry is a practising Chartered Accountant with over 31 years of experience. She has been on the Board of Sterling and Wilson Renewable Energy Limited since March 27, 2019.

Mr. Cherag Balsara
Non-Executive,
Independent Director

Cherag Balsara has completed his Bachelor of Commerce from the Sydenham College of Commerce and Economics in the year 1989. Thereafter, he completed Bachelor of Laws degree in the year 1992 and enrolled at the Bar in the year 1992. He has also done his master's in law in the year 1994. He has practised as a Counsel specialising in civil litigation mainly in the Bombay High Court and also in the Supreme Court as well as the National Company Law Tribunal., During his career spanning 31 years, he has litigated in a large number of Commercial Disputes, Corporate Disputes and handled several Commercial Arbitration matters and has also handled numerous redevelopment projects in the city of Mumbai. He has been on the Board of Sterling and Wilson Renewable Energy Limited since March 29, 2022.

Ms. Naina Krishna Murthy
Non-Executive,
Independent Director

Naina Krishna Murthy has completed Bachelor of Laws degree in the year 1996 from National Law School, Bengaluru and enrolled at the Bar in the year 1999. She has been practising law for 27 years and specialises in corporate commercial law, specifically mergers and acquisitions, joint ventures, collaborations and PE/VC investments. She is also a trusted legal advisor to some of the foremost corporates in India. She is on the Board of several leading organisations, including the Universal Business School. She has co-chaired the Infosys Grievance Redressal Board for five years. In addition to that, she has been on committees of various companies involving sexual harassment complaints. She has represented eminent Indian and overseas clients on their operations in India and abroad. She has authored many articles and white papers on topics including Trade and Renewable Energy. She has been on the Board of Sterling and Wilson Renewable Energy Limited since April 07, 2022.

Augmenting Financial Value. Every Step of Our Value Chain.

Operational Highlights of FY 2022-23

₹4,387 Crore
Order Flow

₹4,913 Crore
Gross Unexecuted Order Value

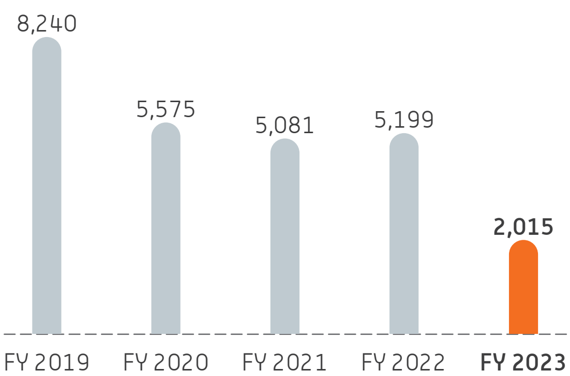
₹38 Crore
Net Working Capital

9.4 GW
Operationalised Projects

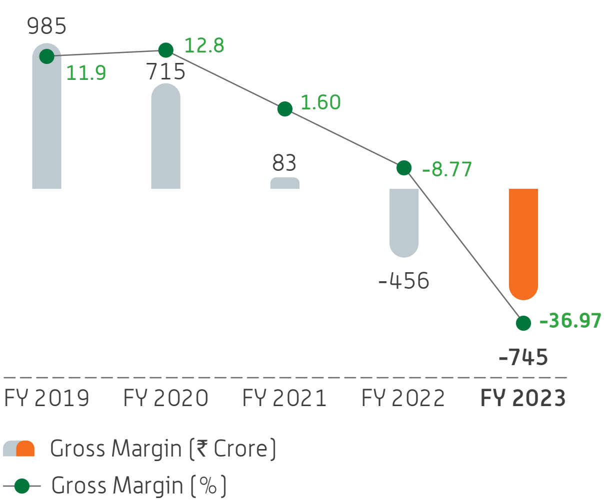
Our Financial Performance

Revenue from Operations

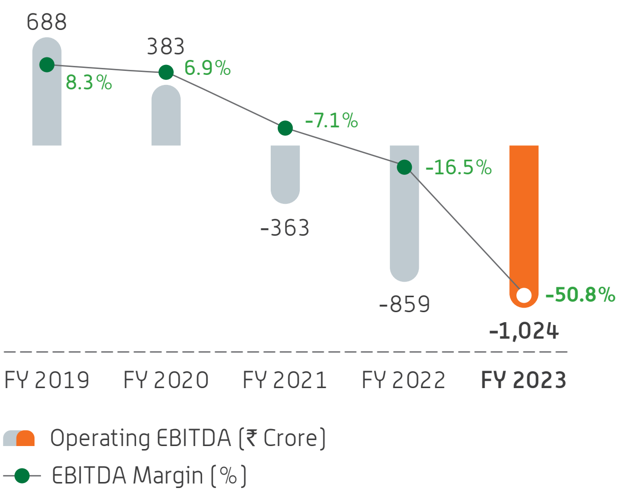
(₹ Crore)



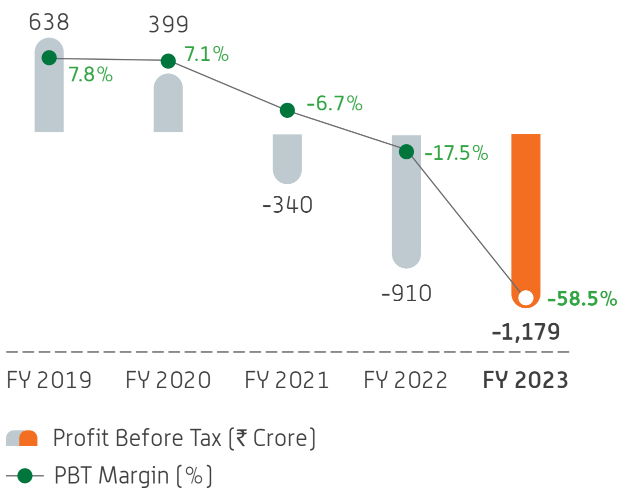
Gross Margin



Operating EBITDA & EBITDA Margin

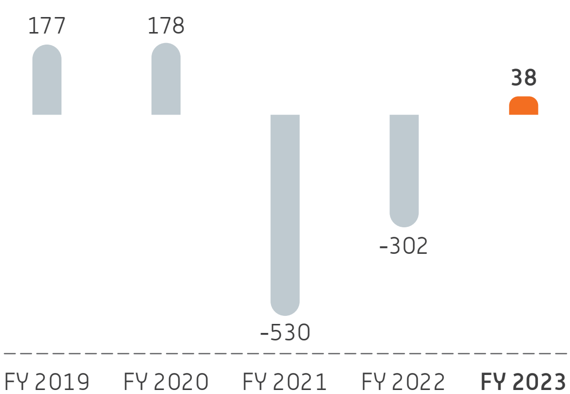


Profit Before Tax and PBT Margin



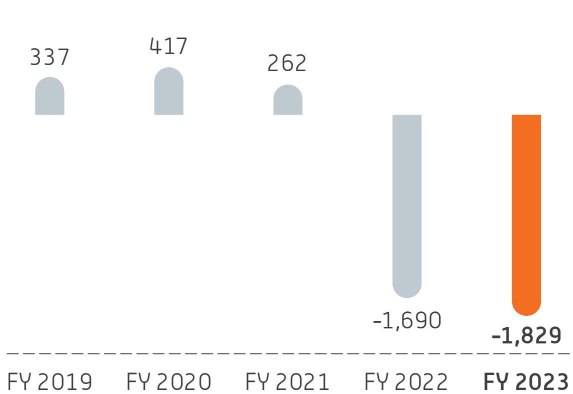
Core Working Capital

(₹ Crore)



Net Cash Flow Generated from Operating Activities

(₹ Crore)



Corporate Information

Board of Directors

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

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

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

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

Mr. Keki Elavia
Non-Executive Independent Director

Ms. Rukhshana Mistry
Non-Executive Independent Director

Mr. Cherag Balsara
Non-Executive Independent Director

Ms. Naina Krishna Murthy
Non-Executive Independent Director

Key Management Team

Mr. Amit Jain
Global CEO

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

Mr. Bahadur Dastoor
Chief Financial Officer

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

Mr. Praveen Jaiswal
Head – Operations & Maintenance

Mr. Rajneesh Shrotriya
Chief Technology Officer

Mr. Bikash Kumar
Head – Research & Development

Mr. Sanjeev Pushkarna
Head – Supply Chain Management

Mr. Basavarajappa C
Head – Human Resource

Mr. Vipin Gupta
Director – International Projects

Mr. Sanjay Kumar
Director – International Projects

Mr. EKS Sreekumar
Head – Quality

Ms. Shilpa Urhekar
National Head – Domestic Operations

Mr. Rahul Rao
Head – Corporate Communications

Registered Office

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

Statutory Auditor

Kalyaniwalla & Mistry LLP

Deloitte Haskins & Sells LLP

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.

(Unit: Sterling and Wilson Renewable Energy Limited)

C-101, 1st Floor, 247 Park

L.B.S Marg, Vikhroli (West)

Mumbai - 400 083, Maharashtra

Bankers

Union Bank of India

State Bank of India

India EXIM Bank

Axis Bank Limited

Hongkong and Shanghai Banking Corporation Limited

DBS Bank Limited

IDBI Bank Limited

ICICI Bank Limited

IndusInd Bank Limited

RBL Bank Limited

YES Bank Limited

HDFC Bank Limited

IDFC First Bank Limited

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

Notice of 6th Annual General Meeting

NOTICE is hereby given that the 6th Annual General Meeting ("AGM") of the Members of Sterling and Wilson Renewable Energy Limited ("the Company") is scheduled to be held on **Thursday, July 13, 2023** at **02:00 p.m. IST**, through Video Conferencing ("VC)/ Other Audio-Visual Means ("OAVM"), to transact, the following businesses:

Ordinary Business

1. To consider and adopt:

    a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, and the reports of the Board and the Auditors thereon.

    b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, and the report of the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

        a) "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

        b) "**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

SPECIAL BUSINESS

2. To approve appointment of Mr. Umesh Khanna (DIN: 03634361) as a Non-Executive Director of the Company to fill up the vacancy of the retiring director Mr. Pallon Mistry, who retires at this Annual General Meeting and in this regard, to consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

    "**RESOLVED THAT** Mr. Umesh Khanna (DIN: 03634361) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation in the vacancy of Mr. Pallon Mistry (DIN: 05229734), who retires at this Annual General Meeting."

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

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

4. To approve the waiver of recovery of excess remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the Financial Year 2022-23 and in this regard, to consider and, if thought fit, to pass, the following resolution as a **Special Resolution:**

    "RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the

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time being in force), Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such approvals as may be required, the approval of the Members of the Company be and is hereby accorded for waiver of recovery of excess managerial remuneration of ₹ 1,00,32,890 paid to Mr. Chandra Kishore Thakur, Manager of the Company during the Financial Year 2022-23, which was in excess of the maximum remuneration permissible under the Act due to absence of profits of the Company during the Financial Year 2022-23.

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

5. To approve re-appointment of Mr. Chandra Kishore Thakur as the Manager of the Company and in this regard, to consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 ("the Act") and the relevant rules thereat (including any amendment modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all other applicable statutes and laws, if any and the recommendation of the Board of Directors of the Company, the approval of the Members be and is hereby accorded to re-appoint Mr. Chandra Kishore Thakur as the Manager of the Company under Section 2(53) of the Act for a period of 2 (Two) years effective from September 01, 2023 upon such terms and conditions and on such remuneration as set out in the explanatory statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT in accordance with the provisions of Section 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Thakur be and is hereby termed as a "Key Managerial Personnel" to perform duties assigned to him by the Board of Directors or the Nomination and Remuneration Committee from time to time.

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

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

Place: Mumbai
Date: April 20, 2023

Jagannadha Rao Ch. V.
Company Secretary

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

Notes:

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

2. The Ministry of Corporate Affairs ("MCA") has allowed conducting General Meetings through VC/ OAVM without the physical presence of the Members. Accordingly, the MCA issued Circular Nos. 14/ 2020 dated April 08, 2020, 17/ 2020 dated April 13, 2020, 20/ 2020 dated May 05, 2020, 02/ 2021 dated January 13, 2021, 19/ 2021 dated December 08, 2021, 21/ 2021 dated December 14, 2021, 02/ 2022 dated May 05, 2022 and 10/ 2022 dated December 28, 2022 ("MCA Circulars"), prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the MCA Circulars, the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations") the AGM of the Members is to be held through VC/ OAVM. Hence, Members can attend and participate in the AGM through VC/ OAVM only. The detailed procedure for participating in the meeting through VC/ OAVM is annexed herewith and also available at the Company's website i.e., www.sterlingandwilsonre.com. The deemed venue for the AGM shall be the Registered Office of the Company.

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

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

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

6. Pursuant to the circulars issued by the MCA and SEBI, the Notice of this AGM along with the Annual Report and Business Responsibility and Sustainability Report ("BRSR") for the Financial Year 2022-23 is being sent only through electronic mode to those Members who have registered their e-mail addresses with their respective DPs. The Members are requested to register their e-mail address with their respective DP by following the procedure prescribed by their DP.

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

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

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

10. Shareholders are requested to read the "General Shareholder Information" section of the Annual Report for useful information.

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

12. Non-resident Indian Members are requested to inform the concerned DPs, immediately:

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

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

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

14. In terms of Section 152 of the Act, Mr. Pallon Mistry, Non-Executive Director of the Company, retires by rotation at this AGM and is also eligible to offer himself for reappointment at the AGM. However, Mr. Mistry has expressed his desire to not be reappointed as a Director at the ensuing AGM due to increased responsibilities within the Shapoorji Pallonji group.

    The Company has received a Notice under Section 160 of the Act, from Shapoorji Pallonji and Company Private Limited, Promoter shareholder of the Company, proposing the candidature of Mr. Umesh Khanna (DIN: 03634361) for appointment as a Non-Executive Director of the Company to fill the vacancy to be caused due to retirement of Mr. Mistry at the AGM.

    The Board of Directors on the recommendation of the Nomination and Remuneration Committee recommends to the shareholders the appointment of Mr. Umesh Khanna at the AGM as a Non-Executive Director of the Company and shall be liable to retire by rotation.

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

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

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

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

Participation at the AGM and Voting

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

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

3. Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request from their registered

e-mail ID mentioning their full name, DP ID/ Client ID, PAN, mobile number at ir@sterlingwilson.com between **9:00 a.m. (IST)** on **Monday, July 03, 2023** and **5:00 p.m. (IST)** on **Wednesday, July 05, 2023**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

4. The Members who do not wish to speak during the AGM but have queries on accounts or any matter to be placed at the AGM may send the same latest by **Friday, July 07, 2023** mentioning their full name, DP ID/ Client ID, PAN, mobile number at ir@sterlingwilson.com. These queries will be replied suitably either at the AGM or by e-mail.

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

6. Members are encouraged to join the AGM through Laptops/ Ipads connected through broadband and allow the camera functionality for a better and seamless experience. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

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

   The remote e-voting period begins on Monday, July 10, 2023 at 09:00 A.M. IST and ends on Wednesday, July 12, 2023 at 05:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e. Thursday, July 06, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

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

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 5533

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

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

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

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************

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

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

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

   c) How to retrieve your 'initial password'?

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

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

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

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

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

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

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

e) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

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

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

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

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Item No. 2

In terms of Section 152 of the Companies Act, 2013 ("the Act"), Mr. Pallon Mistry, Non-Executive Director of the Company, retires by rotation at this AGM and is also eligible to offer himself for reappointment at the ensuing AGM. However, Mr. Mistry has expressed his desire to not be reappointed as a Director at the AGM due to increased responsibilities within the Shapoorji Pallonji group.

The Company has received a Notice under Section 160 of the Act, from Shapoorji Pallonji and Company Private Limited, Promoter shareholder of the Company, proposing the candidature of Mr. Umesh Khanna (DIN: 03634361) for appointment as a Non-Executive Director of the Company to fill the vacancy to be caused due to retirement of Mr. Mistry at the AGM.

The Members may note that the consent, disclosures and declarations in Form DIR-2 and DIR-8 have been received from Mr. Umesh Khanna.

The Committee may note that Mr. Umesh Khanna is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee recommends the Ordinary Resolution for appointment of Mr. Umesh Khanna at the AGM as a Non-Executive Director of the Company and shall be liable to retire by rotation.

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

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

Item No. 3

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

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

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

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

Item No. 4

The Members of the Company at their Annual General Meeting held on September 30, 2020, had by way of an Ordinary Resolution approved the appointment and remuneration of Mr. Chandra Kishore Thakur, Manager of the Company. The details of his appointment and remuneration paid during the Financial Year 2022-23 are as under:

Name	Date of Members' approval (AGM)	Term	Remuneration paid for F.Y. 2022-23 (Amount in ₹)
Mr. Chandra Kishore Thakur	September 30, 2020	3 years (w.e.f. September 01, 2020)	2,26,38,420

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

At the time of his appointment, the Company had adequate profits and the remuneration paid to Mr. Chandra Kishore Thakur was well within the limits approved by the Members. However, during the Financial Year 2022-23, the Company has incurred a loss of approx. ₹ (355.02) Crore.

As a result of the above, the aggregate remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the Financial Year 2022-23 exceeded the limits specified under Section 197 of the Act read with Schedule V thereto.

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

The table below demonstrates the total remuneration including the excess amount paid to Mr. Chandra Kishore Thakur for the Financial Year ended March 31, 2023 and remuneration permissible under Section 197 read with Schedule V of the Act:

(Amount in ₹)

Name	Remuneration paid for F.Y. 2022-23	Maximum permissible limit (As per Schedule V of the Act)	Excess payment F.Y. 2022-23
Mr. Chandra Kishore Thakur	2,26,38,420	1,26,05,530	1,00,32,890

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

The Nomination and Remuneration Committee and the Board of Directors have at their respective meetings, subject to the approval of the Members of the Company, accorded their approvals for waiver of recovery of excess managerial remuneration paid by the Company to Mr. Chandra Kishore Thakur during the Financial Year 2022-23, in the interest of the Company.

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

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

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

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

Item No. 5

The Members of the Company at their Annual General Meeting held on September 30, 2020, had by way of an Ordinary Resolution approved the appointment and remuneration of Mr. Chandra Kishore Thakur, Manager of the Company for a term of 3 (Three) years with effect from September 01, 2020. The present term of Mr. Thakur comes to an end on August 31, 2023.

On recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, the Board at the meeting held on April 20, 2023 approved the re-appointment of Mr. Chandra Kishore Thakur as the Manager of the Company for a term of 2 (Two) years with effect from September 01, 2023.

The services of Mr. Thakur are considered essential for the business operations and the future of the Company. The Board considered and decided to re-appoint Mr. Thakur as the Manager of the Company for a term of 2 (Two) years on following terms and conditions, subject to the approval of Members of the Company and of such other competent authorities as may be required ("the requisite approvals").

A. **Remuneration:**

   i. Salary, allowances and perquisites: upto ₹ 2,50,00,000 per annum;

   ii. Variable Pay: Eligible for performance incentive over and above his salary as stated in A(i) above as per the policy of the Company;

B. Annual revision as per the policy of the Company over and above the remuneration as stated in A above;

C. Over and above the remuneration as stated in point A and annual revision as stated in point B above, he shall also be entitled to gratuity, provident fund, superannuation, leave encashment and other perquisites as per the policy of the Company.

D. For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Thakur will be considered as continuous service with the Company from the date of joining of the Sterling & Wilson Group;

E. The terms and conditions of his appointment and/ or remuneration may be varied/ altered/ revised by the Board and/ or its Committee(s) in such manner as may be mutually agreed with the Manager subject to the applicable provisions of the Act and SEBI Listing Regulations;

F. In case of absence or inadequacy of profits in any Financial Year during the tenure of the appointment of Mr. Thakur as the Manager, the remuneration payable to him shall be within the limits prescribed under Schedule V and all other applicable provisions of the Act and the rules made thereunder, as amended from time to time.

G. The overall remuneration shall be within the limits prescribed by the Act including any amendment or re-enactment thereof, for the time being in force.

Mr. Thakur fulfils the conditions for eligibility contained in Part I of Schedule V to the Act for appointment as the Manager of the Company and is also not disqualified to be appointed as the Manager of the Company in terms of the provisions of sub-section (3) of Section 196 of the Act. He does not hold any shares in the Company either by himself or for any other person on a beneficial basis. He does not have any relationship with any Director or other Key Managerial Personnel of the Company.

In terms of the provisions of Sections 196, 197, 198, 203 read with other applicable provisions and Schedule V of the Act (including any amendment or re-enactment thereof, for the time being in force) and Articles of Association of the Company, the appointment and payment of remuneration to Mr. Thakur as aforesaid, requires the approval of Members by a Special Resolution. Accordingly, the Board of Directors recommends the Special Resolution set out in Item No. 5 of the Notice for your approval.

The terms and conditions of his appointment are open for inspection by Members at the Registered Office of the Company on all working days between 11.00 A.M and 01.00 P.M. up to the date of AGM.

Except Mr. Chandra Kishore Thakur, none of the Directors and/ or Key Managerial Personnel and/ or their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 5 of the Notice, except to the extent of their equity holding in the Company, if any.

Annexure 1

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

Name of Director/ KMP	Mr. Umesh Khanna	Mr. Chandra Kishore Thakur
Director Identification Number	03634361	N.A.
Date of Birth/ Age	July 08, 1957/ 66 years	January 01, 1961/ 53 years
Date of First Appointment on Board	To be appointed in the AGM.	N.A.
Brief resume including Qualification, Experience and expertise in specific functional area	Umesh Khanna is the Group Head Co-ordination at Shapoorji Pallonji and Company Private Limited. He began his career of over 41 years, as an engineer with BHEL rising to the role of Regional Head- Southeast Asia & AGM – International operations based out of Jakarta, Indonesia. He worked on deputation from BHEL in Ministry of Heavy Industry, Government of India. Prior to joining Shapoorji Pallonji, he was the CEO, Director on Board of Bharat Forge NTPC Energy Systems Ltd. He completed his M. Tech in Systems Engineering from IIT Roorkee then University of Rorkee & MBA from University of HULL, UK. He facilitates forging synergies across group companies, bringing valuable insights on technology, business and market expansion, commercial and contracts management and strategic alliances.	Chandra Kishore Thakur is the Manager and CEO - Asia, Africa, Europe and Latin America at Sterling and Wilson Renewable Energy Limited. In this role, he is responsible for leading the Company's strategy and operations across the four geographies. Through his multi-geography experience, acumen of integrating technology with agile project management techniques, delivery commitment and customer focus, he drives transformational efforts across these key markets. Mr. Thakur joined the Company in 2018 as the COO - International Business, overseeing project operations across MENA, Africa and Latin America. During this period, he established high quality execution capabilities that significantly contributed to the Company becoming one of the world's leading solar EPC solutions providers. Before joining the Company, he was the President and CEO - Power and Infrastructure business at Punj Lloyd Limited. Prior to that, he served as the COO - EPC Vertical at Lanco Infratech Limited. He started and built his career with NTPC Limited, India's largest energy conglomerate, where he spent around 22 years. Mr. Thakur is a Mechanical Engineer from NIT, Jamshedpur and holds an MBA degree from Indira Gandhi National Open University. He is a certified first level-A portfolio director from PMA/ IPMA (International Project Management Association). He is also the Vice President of the National Management Council of PMA India and works exhaustively towards spreading project management knowledge and best practices across industries. He has worked for the Confederation of India Industry's National Committee of Renewable Energy, representing and supporting the industry on policy advocacy.

Name of Director/ KMP	Mr. Umesh Khanna	Mr. Chandra Kishore Thakur
Terms and conditions of appointment/ re-appointment	He is proposed to be appointed as a Non-Executive Director liable to retire by rotation.	He is proposed to be re-appointed as the Manager of the Company for a period of 2 (Two) years effective from September 01, 2023. Further details are set out in Explanatory Statement No. 5
Shareholding in the Company as on March 31, 2023	Nil	Nil
Past remuneration drawn from the Company	Nil	F.Y. 2022-23 – ₹ 2.26 Crore
Remuneration sought to be paid	Remuneration proposed to be paid to him by the Company would comprise of sitting fees for attending the Meetings of the Board of Directors and/ or its Committee(s) wherever he would be a member and commission, if any, as a % of net profits of the Company for the relevant Financial Year as may be approved by the Board.	As set out in Explanatory Statement No. 5
Relationship with the other Directors, Manager and Other Key Managerial Personnel of the Company	Nil	Nil
No. of Board Meetings attended during the Financial Year 2022-23	N.A.	N.A.
List of other Indian Public Limited Companies in which Directorships held (1)	Afcons Infrastructure Limited	N.A.
Listed Companies from which the Director has resigned in the past three years	Nil	Nil
Chairman/ Member of Committee(s) of Board of Directors of the Company (2)	Nil	N.A.
Chairman/ Member of the Committee(s) of Board of Directors of other Companies in which he is a Member/ Chairman (2)	Afcons Infrastructure Limited Audit Committee - Member Stakeholders Relationship Committee - Member	Nil

Note:

(1) This excludes directorships in the Company, Foreign Companies, Private Companies, Companies incorporated under Section 25 of the erstwhile Companies Act, 1956 and Companies incorporated under Section 8 of the Act.

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

STATUTORY REPORTS

Annexure 2

Additional information as required pursuant to the provisions of Part II Section II(b)(iv) of Schedule V of the Companies Act, 2013 in respect of Item Nos. 4 & 5 of the Notice is as follows:

I. General Information

1. **Nature of Industry**

   The Company was incorporated at Mumbai on March 9, 2017 under the provisions of the Companies Act, 2013. The Company is a global pure-play, end-to-end solar engineering, procurement and construction ("EPC") solutions provider. The Company provides EPC services for utility-scale solar power projects across the world with a focus on project design and engineering and manages all aspects of project execution from conceptualizing to commissioning. The Company also provides operations and maintenance "O&M" services (including for projects constructed by third parties).

2. **Date or expected date of commencement of commercial production**

   Not applicable

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

   Not Applicable

4. **Financial performance based on given indicators**

(₹ in Crore)

Particulars	Standalone	
	FY 2022-23	FY 2021-22
EBITDA	(285.37)	(194.17)
Less: Depreciation Finance Cost	 6.69 141.10	 7.90 75.34
Add: Interest Income	 86.19	 71.99
(Loss)/ Profit before tax	(346.97)	(205.42)
Provision for tax (including deferred tax)	8.05	(37.90)
Loss/ Profit after tax	(355.02)	(167.52)

5. **Foreign Investments or collaborations, if any**

   Nil

II. Information About Manegerial Personnel

Particulars	Mr. Chandra Kishore Thakur
Background details	Chandra Kishore Thakur is the Manager and CEO - Asia, Africa, Europe and Latin America at Sterling and Wilson Renewable Energy Limited. In this role, he is responsible for leading the Company's strategy and operations across the four geographies. Through his multi-geography experience, acumen of integrating technology with agile project management techniques, delivery commitment and customer focus, he drives transformational efforts across these key markets. Mr. Thakur joined the Company in 2018 as the COO - International Business, overseeing project operations across MENA, Africa and Latin America. During this period, he established high quality execution capabilities that significantly contributed to the Company becoming one of the world's leading solar EPC solutions providers. Before joining the Company, he was the President and CEO - Power and Infrastructure business at Punj Lloyd Limited. Prior to that, he served as the COO - EPC Vertical at Lanco Infratech Limited. He started and built his career with NTPC Limited, India's largest energy conglomerate, where he spent around 22 years. Mr. Thakur is a Mechanical Engineer from NIT, Jamshedpur and holds an MBA degree from Indira Gandhi National Open University. He is a certified first level-A portfolio director from PMA/ IPMA (International Project Management Association). He is also the Vice President of the national management council of PMA India and works exhaustively towards spreading project management knowledge and best practices across industries. He has worked for the Confederation of India Industry's National Committee of Renewable Energy, representing and supporting the industry on policy advocacy.
Past remuneration	2020-21 – ₹ 1.08 Crore* 2021-22 – ₹ 2.04 Crore 2022-23 – ₹ 2.26 Crore
Recognition or awards	Not Applicable
Job profile and his suitability	Mr. Thakur has been entrusted with substantial powers of the management of business and affairs of the Company. The Company has been substantially benefitted by his professional knowledge and managerial expertise. Apart from managing operations of the Company in many geographies, Mr. Thakur also plays a major role in providing strategic inputs to the Company.
Remuneration proposed	As set out in Explanatory Statement No. 5
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration of Mr. Thakur is comparable to that drawn by the peers in similar capacity in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	None

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

III. Other Information

(1) Reasons of loss or inadequate profits

The margins have been significantly impacted primarily on account of increase in module prices, liquidated damages, commodity prices and increase in overheads and subcontracting costs due to extension in projects' timelines and module delivery delays.

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

The Company is making necessary efforts to maintain its leadership and improve its performance by aggressively implementing its strategies and cost reduction initiatives along with revenue enhancement initiatives. Moreover, the Company continues to closely monitor any material changes arising of future economic conditions and impact on its business.

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

Not Quantifiable

IV. Disclosures

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

In terms of the provisions of the Act and in line with the Articles of Association of the Company, the Non-Executive Directors including Independent Directors are paid sitting fees on a uniform basis for attending various meetings of the Board and the Committees thereof. The details of sitting fees paid to the Directors during the Financial Year 2022-23 are mentioned in the Corporate Governance Report. The Company does not have any Executive Directors. No salary, benefits, bonuses, stock options, pension etc. is paid to any of the Directors.

Further, Mr. Chandra Kishore Thakur, Manager of the Company was paid remuneration of ₹ 2.26 Crore for financial year 2022-23. No other benefits, bonuses have been paid to Mr. Thakur.

ii. Details of fixed component and performance linked incentives along with the performance criteria

Other than sitting fee to the Directors and salary to Mr. Chandra Kishore Thakur, no fixed component or performance linked incentives have been paid to any of the Directors or to Mr. Chandra Kishore Thakur during the financial year 2022-23.

iii. Service contracts, notice period, severance fees

A separate service contract is not entered into by the Company with any of its Directors. No notice period or severance fee is payable to any Director.

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

iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

No Stock Options have been granted to any Directors.

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

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

Directors' Report

Dear Members,

Your Directors are pleased to present the 6th (Sixth) Annual Report along with the Audited Financial Statements (Consolidated and Standalone) of the Company for the Financial Year ended March 31, 2023 ("Financial Year under review").

Financial Performance

The key highlights of the Company's financial performance for the Financial Year ended March 31, 2023 as compared to the previous Financial Year ended March 31, 2022 are summarised below:

(₹ in Crore)

Particulars	Consolidated		Standalone	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from Operations	2,015.01	5,198.94	1,457.91	3,459.58
EBITDA	(1,023.51)	(859.35)	(285.37)	(194.17)
Less:				
Depreciation	14.70	14.67	6.69	7.90
Finance Cost	144.91	76.71	141.10	75.34
Add:				
Interest Income	4.38	40.57	86.19	71.99
(Loss)/ Profit before tax	(1,178.74)	(910.16)	(346.97)	(205.42)
Provision for tax (including deferred tax)	(3.78)	5.60	8.05	(37.90)
Loss/ Profit after tax	(1,174.96)	(915.76)	(355.02)	(167.52)

On a consolidated basis, the revenue from operations for the Financial Year 2022-23, stood at ₹ 2,015.01 Crore as compared to ₹ 5,198.94 Crore in the Financial Year 2021-22. The consolidated loss after tax amounted to ₹ (1,174.96) Crore in the Financial Year 2022-23 as against a loss of ₹ (915.76) Crore in the Financial Year 2021-22.

On a standalone basis, the revenue from operations for the Financial Year 2022-23, stood at ₹ 1457.91 Crore as compared to ₹ 3,459.58 Crore in the Financial Year 2021-22. The standalone loss after tax amounted to ₹ (355.02) Crore in the Financial Year 2022-23 as against a loss of ₹ (167.52) Crore in the Financial Year 2021-22.

Business Overview

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

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

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

Share Capital

There was no change in the Share Capital of the Company during the Financial Year under review.

As on March 31, 2023, the issued, subscribed and paid-up Equity Share Capital of the Company stood at ₹ 18,96,93,333 comprising of 18,96,93,333 Equity Shares of ₹ 1/- (Rupee One only) each fully paid.

Details of Utilization of Funds Raised Through Preferential Issue

During the Financial Year 2021-22, the Company had on preferential basis allotted 2,93,33,333 (Two Crore Ninety Three Lakh Thirty Three Thousand Three Hundred and Thirty Three) Equity Shares of face value of ₹ 1/- (Rupee One only) each fully paid up, at a price of ₹ 375/- (Rupees Three Hundred and Seventy Five only) (including premium of ₹ 374/-) per Equity Share for a consideration of ₹ 1,099,99,99,875/- (Rupees One Thousand Ninety Nine Crore Ninety Nine Lakh Ninety Nine Thousand Eight Hundred And Seventy Five only) to Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited).

As on March 31, 2023, the Company has utilized the entire proceeds of preferential allotment for the purpose which was specified in the Offer Document/ Notice of Extra Ordinary General meeting i.e. to strengthen the balance sheet of the Company.

During the Financial Year under review, the Company has not raised any funds through Preferential Issue.

Material Events During the Financial Year Under Review

For achieving Minimum Public Shareholding ("MPS") compliance, Shapoorji Pallonji and Company Private Limited and Khurshed Yazdi Daruvala ("the Promoters") were required to sell 1.87% shareholding (pursuant to the Initial Public Offer) and 3.56% shareholding (pursuant to Reliance New Energy Limited's acquisition). The Promoters sold 35,56,181 Equity Shares (1.87% of the paid-up equity share capital) of the Company by way of Offer for Sale through Stock Exchange Mechanism (one of the methods permitted by SEBI for complying with MPS requirements) on August 12, 2022 and August 16, 2022, respectively. Further, the Promoters sold 75,18,296 Equity Shares (3.96% of the paid-up equity share capital) of the Company by way of Offer for Sale through Stock Exchange Mechanism (one of the methods permitted by SEBI for complying with MPS requirements) on December 20, 2022 and December 21, 2022, respectively.

Consequent to the Offers for Sale by the Promoters during the Financial Year under review, as on March 31, 2023, the Shareholding of the Promoters and Promoter Group stood at 72.73% and the Shareholding of the Public is 27.27% of the paid-up equity share capital of the Company.

Transfer to Reserves

No amount has been transferred to general reserves for the Financial Year ended March 31, 2023.

Dividend

The Directors do not recommend any dividend for the Financial Year under review.

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

Subsidiaries

During the Financial Year under review, Sterling and Wilson Solar Malaysia SDN. BHD. Malaysia, a step down subsidiary of the Company has been struck-off from the Companies Commission of Malaysia on January 20, 2023 consequent to the striking-off application filed by the subsidiary.

Further, Sterling and Wilson Solar Solutions Inc. ("SWSS"), a step-down subsidiary of the Company, incorporated a wholly owned subsidiary in the name of Sterling and Wilson Renewable Energy Nigeria Limited in Nigeria on February 09, 2023.

The Company has 24 (Twenty Four) subsidiaries as on March 31, 2023 comprising of 5 (Five) direct subsidiaries and 19 (Nineteen) step down subsidiaries. The Company also has share in a partnership firm in India.

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

As on March 31, 2023, the Company has 2 (Two) material subsidiaries, namely Sterling and Wilson International Solar FZCO and Sterling and Wilson Solar Solutions Inc.

Performance Highlights

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

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

The said Form also highlights the financial performance of each of the subsidiaries of the Company included in the

Consolidated Financial Statements pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

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

Consolidated Financial Statements

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

Particulars of Loans, Guarantees, Investments & Securities

Loans, guarantees and investments covered under Section 186 of the Act form part of the Notes to the Financial Statements provided in this Annual Report.

Directors & Key Managerial Personnel

Directors

As on March 31, 2023, the Board comprises of 4 (Four) Non-Executive Directors and 4 (Four) Non-Executive Independent Directors.

Appointments made during the Financial Year under review

The Shareholders via Postal Ballot approved the appointment of Mr. Cherag Balsara and Ms. Naina Krishna Murthy as Non-Executive Independent Directors for a period of 5 (Five) consecutive years commencing with effect from March 29, 2022 and April 07, 2022 respectively and the appointment of Mr. Balanadu Narayan and Mr. Saurabh Agarwal as Non-Executive Non-Independent Directors of the Company with effect from April 07, 2022. The resolutions approving the said appointments were passed by the Shareholders on June 26, 2022.

Retiring by rotation at the ensuing 6th Annual General Meeting

Pursuant to the provisions of Section 152(6) of the Act and the Articles of Association of the Company, Mr. Pallon Mistry (DIN: 05229734), Non-Executive Non-Independent Director of the Company is liable to retire by rotation in the ensuing 6th Annual General Meeting ("6th AGM").

Mr. Pallon Mistry will not be seeking re-election at the 6th AGM.

The Board wishes to place on record its deep appreciation for the contribution of Mr. Pallon Mistry during his tenure as a Director with the Company.

The Board at its meeting held on April 20, 2023 recommended the appointment of Mr. Umesh Khanna (DIN: 03634361) as a Non-Executive Non-Independent Director on the Board of the Company at the ensuing 6th AGM as proposed by Shapoorji Pallonji and Company Private Limited, Promoter Shareholder, to fill the vacancy to be caused due to the retirement of Mr. Pallon Mistry as a Director at the ensuing 6th AGM of the Company.

The approval of the Shareholders will be sought at the 6th AGM for appointment of Mr. Umesh Khanna (DIN: 03634361) as a Non-Executive Non-Independent Director on the Board of the Company.

Declaration by Independent Directors

The Company has, *inter alia,* received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules issued thereunder and the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

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

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

None of the Directors of the Company are disqualified to act as a Director under Section 164(2) of the Act read with Rule

14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Remuneration to Directors

The details of sitting fees paid to the Directors for attending the Board/ Committee meeting(s) during the Financial Year 2022-23 are as under:

Name of Director	Designation	Sitting fees paid during F.Y. 2022-23[1] (In ₹)
Mr. Khurshed Daruvala	Non-Executive Director	13,95,000
Mr. Balanadu Narayan	Non-Executive Director	5,00,000
Mr. Cherag Sarosh Balsara	Independent Director	5,50,000
Mr. Keki Elavia	Independent Director	13,75,000
Ms. Naina Krishna Murthy	Independent Director	3,00,000
Mr. Pallon Mistry	Non-Executive Director	4,70,000
Ms. Rukhshana Mistry	Independent Director	13,45,000
Mr. Saurabh Agarwal	Non-Executive Director	5,00,000

Note:
(1) Gross amount (without deducting TDS)

Key Managerial Personnel

During the Financial Year under review, there were no changes in the Key Managerial Personnel ("KMPs") of the Company.

Pursuant to the provisions of Section 2(51) and Section 203 of the Act read with the Rules framed thereunder, the following persons are KMPs of the Company as on March 31, 2023:

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

The Members of the Company at their 3rd Annual General Meeting held on September 30, 2020, had by way of an Ordinary Resolution approved the appointment and remuneration of Mr. Chandra Kishore Thakur, Manager of the Company for a term of 3 (Three) years with effect from September 01, 2020.

Mr. Thakur was paid a remuneration of ₹ 2,26,38,420 for the Financial Year 2022-23. At the time of his appointment, the Company had adequate profits and the remuneration proposed to be paid to Mr. Chandra Kishore Thakur was well within the limits prescribed under the Act. However, the Company has registered a loss of ₹ (355.02) Crore over the previous year.

As a result of the above, the aggregate remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the Financial Year 2022-23 exceeded the limits specified under Section 197 of the Act read with Schedule V thereto. An excess payment of ₹ 1,00,32,890 has been made to Mr. Thakur for the Financial Year 2022-23.

Pursuant to Section 197(10) of the Act, the Members of the Company could waive the recovery of excess remuneration by passing a Special Resolution. Considering the valuable contribution made by Mr. Chandra Kishore Thakur to the Company, it is appropriate and justifiable to waive off the requirement of recovery of excess remuneration paid to him due to inadequate profits.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members. The information as required to be disclosed as per the provisions of Part II Section II(b)(iv) of Schedule V of the Act is given in the Annexure 2 to the Notice.

Further, on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board at its meeting held on April 20, 2023 approved the re-appointment of Mr. Chandra Kishore Thakur as the Manager of the Company for a term of 2 (Two) years with effect from September 01, 2023, subject to the approval of the Members at the 6th AGM.

In compliance with Regulation 36(3) of the Listing Regulations and Secretarial Standards - 2 on General Meetings, the brief resume, expertise and other details of Mr. Thakur are given in the Notice convening the 6th AGM.

The Board recommends the Special Resolution to the Members for re-appointment of Mr. Chandra Kishore Thakur as the Manager of the Company for a term of 2 (Two) years as set out at Item No. 5 of the Notice.

Familiarization Programme for Independent Directors

In compliance with the requirements of the SEBI Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors. The programme aims to provide insights into the Company to enable the Independent Directors to understand the working of the Company, nature of the industry in which the Company operates, business model, major litigations, internal control and so on and to familiarize them with their roles, rights and responsibilities as Independent Directors. The details of familiarization programmes imparted to the Directors, including Independent Directors during the Financial Year 2022-23 are available at the Company's website and can be accessed at https://www.sterlingandwilsonre.com/pdf/familiarization-programme-for-independent-directors.pdf

Performance Evaluation of the Board, its Committees and Individual Directors

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

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

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

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

In a separate meeting of Independent Directors of the Company held on March 27, 2023, the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated by the Independent Directors.

In the Board meeting held on April 20, 2023, the performance of the Board and its Committees was discussed. The Chairman of the Company interacted with each Director individually, for evaluation of performance of the individual Directors.

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

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of the Company hereby confirms that:

1. in the preparation of the Annual Financial Statements for the Financial Year ended on March 31, 2023, the applicable Accounting Standards have been followed and no material departures have been made from the same;

2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the loss of the Company for the year ended on March 31, 2023;

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

4. the annual accounts for the Financial Year ended on March 31, 2023 are prepared on a going concern basis;

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

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

Meetings of the Board of Directors

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the Financial year under review, 6 (Six) Board meetings were held. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this Annual Report.

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

Committees of the Board

The Company has constituted the following Committees:

1. Audit Committee;
2. Corporate Social Responsibility Committee;
3. Management Committee;

4. Nomination and Remuneration Committee;

5. Risk Management Committee; and

6. Stakeholders' Relationship Committee.

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

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

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

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

Internal Financial Control Systems and its Adequacy

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls laid down by the Management and suggest improvements.

The Audit Committee of the Board approves the annual internal audit plan and periodically reviews the progress of audits as per the approved approved audit plan along with critical internal audit findings presented by internal auditors, status of implementation of audit recommendations, if any, and adequacy of internal controls.

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this Annual Report.

Annual Return

In terms of the provisions of Section 92(3) and Section 134 (3)(a) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year 2021-22 in the prescribed Form No. MGT-7 is available on the Company's website at https://www.sterlingandwilsonre.com/investor-relations/financials

Business Responsibility and Sustainability Report

SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. May 05, 2021, has introduced new reporting requirements for the top 1000 listed companies with effect from the Financial Year 2022-23 on ESG (Environment, Social and Governance) parameters called the Business Responsibility and Sustainability Report ("BRSR").

The Company has submitted the BRSR in place of the Business Responsibility Report for the Financial Year 2022-23. The BRSR setting out various initiatives taken by the Company on the Environmental, Social and Governance front, is presented in a separate section and forms a part of this Annual Report.

Corporate Governance

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

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

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

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

Credit Rating

The Company has obtained credit rating for the debt instruments issued/ to be issued and the short term borrowings availed/ being availed by the Company. For the details on the same, please refer to the Corporate Governance Report, which is a part of this Annual Report.

Employee Stock Options Plan

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

Further, consequent to change in name of the Company the name of the ESOP plan was changed from Sterling and Wilson Solar Limited - Employees Stock Options Plan to Sterling and Wilson Renewable Energy Limited - Employees Stock Options Plan ("SWREL ESOP Plan")

The NRC, *inter alia,* administers and monitors the SWREL ESOP Plan. The NRC has approved the grant of 13,01,213 out of total 16,03,600 Options to the eligible employees exercisable into not more than 13,01,213 Equity Shares of face value of ₹ 1/- each fully paid-up of the Company. The said Options shall vest in 4 (Four) equal annual instalments after 1 (One) year from the date of grant. The first annual instalment's Options have been vested, however, no Option grantee has exercised any Options during the Financial Year under review.

There has been no material change in the SWREL ESOP Plan during the Financial Year 2022-23 and the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations").

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

A certificate from Manish Ghia & Associates, Secretarial Auditors of the Company certifying that the Plan has been implemented in accordance with SBEB Regulations pursuant to the resolution(s) passed by the Members will be available for inspection electronically at the 6th AGM.

Management Discussion and Analysis

As per Regulation 34 of the SEBI Listing Regulations, a separate section on Management Discussion and Analysis Report outlining the business of the Company forms a part of this Annual Report. It, *inter alia,* provides details about the Indian and Global economy, business performance review of the Company's various businesses and other material developments during the Financial Year 2022-23.

Auditors & Reports

Statutory Auditor

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

Further, the Shareholders at their 5th AGM held on September 30, 2022, in addition to the existing Statutory Auditors of the Company, approved the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company for a term of 5 (Five) consecutive years from the conclusion of 5th AGM till the conclusion of 10th AGM.

The Statutory Auditors have confirmed that they are not disqualified from continuing as the Auditors of the Company. There is no qualification or adverse remark in Auditors' Report.

Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Manish Ghia & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year ended March 31, 2023 is annexed herewith as **Annexure C** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer, except as under:

"The Company was not in compliance with the requirement under Regulation 38 of Listing Regulations read with Rule 19(2) and Rule 19A of Securities Contract Regulation Rules, 1957, during the period August 20, 2022 to December 19, 2022 relating to minimum public shareholding."

Management Response

The Company is of the view that it has complied with the provisions of Rule 19(2) (b) and also Rule 19A (2) of Securities Contracts (Regulations) Rules, 1957 read with Regulation 38 of the SEBI Listing Regulations, as amended. However, the penalty in the form of fine as imposed by the Stock Exchanges was paid under protest by the Company.

Branch Auditors

In terms of the provisions of Section 143(8) of the Act read with Rule 12 of the Companies (Audit and Auditors) Rules, 2014, the audit of the accounts of the branch offices of the Company located outside India is required to be conducted by the person(s) or firm(s) qualified to act as Branch Auditors in accordance with laws of that country. The Board of Directors seek approval of the Members at the 6th AGM to authorise the Board/ Audit Committee to appoint Auditors for the branch offices of the Company and also to fix their remuneration. The Board recommends to the Members the Ordinary Resolution as set out at Item No. 3 of the Notice.

Reporting of Frauds by Auditors

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

Particulars of Contracts or Arrangement with Related Parties

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

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

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at https://www.sterlingandwilsonre.com/pdf/policy-on-related-party-transactions.pdf

Vigil Mechanism/ Whistle Blower Policy

Your Company promotes ethical behavior in all its business activities and your Company has adopted a Policy on Vigil Mechanism and Whistle Blower in terms of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations for receiving and redressing complaints from Employees, Directors and other Stakeholders.

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

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

The Policy is available on the Company's website and can be accessed at https://www.sterlingandwilsonre.com/pdf/whistle-blowerpolicy.pdf. During the Financial Year under review, no Whistle Blower complaints were reported.

Code for Prevention of Insider Trading

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

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

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

Corporate Social Responsibility

In terms of the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of your Company have constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

In compliance with Section 135(1) of the Act, the Company has undertaken CSR activities, projects and programs as provided in the CSR Policy of the Company and as per the Annual Action Plan.

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

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

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

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

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

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

Human Resources

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

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

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

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

Particulars of Employees

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

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

Risk Management

Risk management is integral to the Company's strategy and for the achievement of the long-term goals. Our success as an organisation depends on our ability to identify and leverage the opportunities while managing the risks.

The challenges faced by the Company have brought a mix of opportunities and uncertainties impacting the Company's objectives. Risk management, which aims at managing the impact of these uncertainties, is an integral part of the Company's strategy setting and decision making process. The Company regularly identifies uncertainties and after assessing them, devises short-term and long-term actions to mitigate any risk which could materially impact your Company's longterm goals. This process of identifying and assessing the risks is a two-way process with inputs being taken from Employees across the organization. The Company engages regularly with various stakeholders to foresee changing/ emerging expectations and proactively tries to integrate the same with the overall plans and priorities of the Company.

The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that the risks are brought within acceptable limits.

Our approach to risk management is designed to provide reasonable assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to the Company's Senior Management, the Audit Committee, the Risk Management Committee and the Board.

Mitigation plans to significant risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership. The Company endeavours to continually sharpen its risk management systems and processes in line with a rapidly changing business environment.

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

Secretarial Standards

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

General

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

- No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and the Company's operations in future.
- The Company has not accepted any deposits within the meaning of Section 2(31) and Section 73 of the Act and the Rules framed thereunder. As on March 31, 2023, there were no deposits lying unpaid or unclaimed.
- There is no plan to revise the Financial Statements or Directors' Report in respect of any previous Financial Years.
- The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- The Company has not issued shares (including sweat equity shares) to employees under any scheme save and except Employees Stock Options schemes referred to in this report.
- No material changes and commitments have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report affecting the financial position of the Company.
- In the absence of any amounts required to be transferred to the Investor Education and Protection Fund (IEPF) under Section 125(1) and Section 125(2) of the Act, the Company was not required to transfer any such sum to the IEPF.
- Maintenance of cost records as specified by the Central Government under Section 148(1) of the Act, is not required to be done by the Company. Accordingly, such accounts and records are not prepared nor maintained by the Company.
- No application has been made against the Company under the Insolvency and Bankruptcy Code, 2016 ("IBC") hence the requirement to disclose the details of application made or any proceeding pending under the IBC (31 of 2016) during the year along with their status as at the end of the Financial Year is not applicable. There was no instance of onetime settlement with any Bank or Financial Institution.
- There was no deviation or variation in the use of proceeds of preferential allotment from the objects stated in the offer document/ explanatory statement to the notice for the general meeting and the actual utilization of fund.

Acknowledgement

The Directors take this opportunity to express their appreciation for the support and co-operation extended by our Customers, Bankers, Vendors, Suppliers, Sub-Contractors and all other stakeholders. The Directors gratefully acknowledge the ongoing co-operation and support provided by all Statutory and Regulatory Authorities.

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

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

Place: Mumbai
Date: April 20, 2023

Khurshed Daruvala
Chairman & Non-Executive Director

Annexure A

Dividend Distribution Policy

1. Introduction:

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

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

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

2. Parameters to be considered while declaring Dividend:

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

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

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

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

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

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

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

g. Leverage profile

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

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

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

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

l. Cost of external financing

m. Past dividend trends

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

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

p. Any other contingency plans.

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

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

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

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

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

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

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

5. Procedure for deciding quantum of dividend:

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

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

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

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

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

6. General:

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

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

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

7. Review/ Modification of the Policy:

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

8. Disclosure:

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

9. Disclaimer:

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

Annexure B

Nomination and Remuneration Policy

1. Introduction:

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

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

2. Objectives of the NR Committee:

2.1 The NR Committee shall:

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

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

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

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

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

vi Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

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

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

3. Effective Date

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

3.2 This policy shall be operational with immediate effect.

4. Definitions:

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

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

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

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

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

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

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

(ii) the Company Secretary;

(iii) the Whole-Time Director;

(iv) the Chief Financial Officer;

(v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board and

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

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

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

5. Applicability:

The Policy is applicable to -

a. Directors (Executive and Non-Executive)

b. Key Managerial Personnel

c. Senior Management Personnel

6. Constitution of the NR Committee

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

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

7. General Appointment Criteria:

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

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

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

8. Additional Criteria for Appointment of Independent Directors:

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

9. Term / Tenure:

i. Managing Director/Whole-time Director

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

ii. Independent Director:

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

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

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

10. Removal:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12. Board Diversity:

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

13. Remuneration:

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

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

13.2.1 Managing Director / Whole-time Director

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

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

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

13.2.2 Non-Executive Directors

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

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

13.2.3 KMPs / Senior Management Personnel etc.

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

13.2.4 Directors' and Officers' Insurance

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

14 Chairperson:

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

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

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

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

15 Frequency of Meetings:

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

16 NR Committee Members Interest:

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

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

17 Secretary:

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

18 Voting:

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

19 Adoption, Changes and Disclosure of Information:

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

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

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

20 Dissemination Policy:

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

Annexure C

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members,
Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)
9th Floor, Universal Majestic
P. L. Lokhande Marg, Chembur (W)
Mumbai – 400 043

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sterling and Wilson Renewable Energy Limited** (formerly known as Sterling and Wilson Solar Limited) (L74999MH2017PLC292281) and having its registered office at 9th Floor, Universal Majestic, P.L. Lokhande Marg, Chembur West, Mumbai- 400043 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2023 according to the provisions of:

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

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

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

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

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

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

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

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

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable to the Company during the audit period**);

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

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

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

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

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. as mentioned above **except that the Company was not in compliance with the requirement under Regulation 38 of Listing Regulations read with Rule 19(2) and Rule 19A of**

Securities Contract Regulation Rules, 1957, during the period August 20, 2022 to December 19, 2022 relating to minimum public shareholding.

Further, the remuneration paid to the Manager is in excess of the limit mentioned under section 197 read with Schedule V of the Act and the Company is seeking approval of the shareholders for waiver of recovery of the excess payment made to the Manager during the Financial year 2022-23;

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except for few Board Meetings of the company during the year under review held at a shorter notice with the consent of the directors; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period:

1. The Company's Promoters, Shapoorji Pallonji and Company Private Limited sold 23,70,787 Equity shares and Mr. Khurshed Yazdi Daruvala sold 11,85,394 Equity Shares respectively by way of an Offer for Sale through Stock Exchange Mechanism on August 12, 2022 and August 16, 2022 respectively for the purpose of achieving the minimum public shareholding as stipulated under Regulation 38 of the Listing Regulations read with Rule 19(2)(b) of Securities Contract Regulation Rules, 1957;

   The Company's Promoters, Shapoorji Pallonji and Company Private Limited sold 52,62,808 Equity Shares and Mr. Khurshed Yazdi Daruvala sold 22,55,488 Equity shares respectively by way of an Offer for Sale through Stock Exchange Mechanism on December 20, 2022 and December 21, 2022 respectively for the purpose of achieving the minimum public shareholding as stipulated under Regulation 38 of the Listing Regulations read with Rule 19A of Securities Contract Regulation Rules, 1957.

2. Sterling and Wilson International Solar FZCO ("SWFZCO"), a wholly owned subsidiary of the Company invested in 10,000 fully paid Equity shares of Euro 1 each of Sterling and Wilson Renewable Energy Spain S.L. ("SWRE Spain") representing 100% of shareholding in SWRE Spain on September 20, 2022, consequent to which SWRE Spain has now been capitalized as a wholly owned subsidiary of SWFZCO and a step down wholly owned subsidiary of the Company; and

3. Sterling and Wilson Solar Malaysia SDN. BHD, Malaysia, a step down Subsidiary of the Company has been struck-off from the Companies Commission of Malaysia on January 20, 2023 consequent to the Striking-Off application filed by the Subsidiary.

4. Sterling and Wilson Solar Solutions Inc., a step-down subsidiary of the Company incorporated a wholly owned subsidiary in the name of Sterling and Wilson Renewable Energy Nigeria Limited in Nigeria on February 09, 2023.

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

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

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

Place: Mumbai
Date: April 20, 2023
UDIN: F006252E000148394

NOTE:

This draft has been prepared without examining the approved and audited Financials and the report of Statutory Auditors. Accordingly, we reserve the right to amend any part of this report, if a need arises subsequently based on such approved and audited financials and report of the auditors as and when the same are made available to us.

'Annexure A'

To,
The Members,
Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)
9th Floor, Universal Majestic
P. L. Lokhande Marg, Chembur (W)
Mumbai – 400 043

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

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

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

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

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

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

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

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

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

Place: Mumbai
Date: April 20, 2023
UDIN: F006252E000148394

Annexure D

Annual Report on Corporate Social Responsibility ("CSR") Activities for the Financial Year 2022- 23

1. Brief outline on CSR Policy of Company :

CSR Vision: "Creating a Sustainable and Responsible business"

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

CSR Objectives:

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

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

Scope & Focus Area:

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

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

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

CSR Operational Framework:

CSR Committee

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

This Committee will be responsible for the following:

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

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

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

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

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

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

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

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

CSR Governance:

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

2. Composition of CSR Committee :

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

3.	Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company :	https://www.sterlingandwilsonre.com/investor-relations/corporate-governance https://www.sterlingandwilsonre.com/investor-relations/reg-46-of-lodr
4.	Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable :	N.A.
5.	(a) Average net profit of the company as per Section 135(5)	₹ 27.90 Crore
	(b) Two percent of average net profit of the Company as per Section 135(5)	₹ 0.56 Crore
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years	Nil
	(d) Amount required to be set off for the Financial Year, if any	Nil
	(e) Total CSR obligation for the Financial Year (5b+5c-5d)	₹ 0.56 Crore

STATUTORY REPORTS

6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 0.02 Crore
	(b) Amount spent in Administrative Overheads	Nil
	(c) Amount spent on Impact Assessment, if applicable	Nil
	(d) Total amount spent for the Financial Year (6a+6b+6c)	₹ 0.02 Crore
	(e) CSR amount spent or unspent for the Financial Year	See table below
	(f) Excess amount for set off, if any	See table below
7	(a) Details of Unspent CSR amount for the preceding three Financial Years	Please refer below mentioned table

(e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (₹ In Crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
0.02 Crore	0.54 Crore	April 17, 2023	N.A.	N.A.	N.A.

(f) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	0.56 Crore
(ii)	Total amount spent for the Financial Year	0.02 Crore
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

8

Whether any Capital Assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
N.A.							

9.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5)	During the Financial Year 2022-23, the Company has spent ₹ 0.02 Crore on various CSR projects and transferred ₹ 0.54 Crore related to ongoing CSR projects to the Unspent CSR account pursuant to the provisions of the Companies Act, 2013.

7. Details of Unspent CSR amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in Crore)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (₹ in Crore)	Amount spent in the reporting Financial Year (₹ in Crore)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ In Crore)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2021-2022	3.20	3.20	2.39	N.A.		0.81	
2.	2020-2021	4.56	1.56	0.80	N.A.		0.76	

Place: Mumbai
Date: April 20, 2023

Khurshed Daruvala
Chairman and Non- Executive Director
Member of the CSR Committee

Keki Elavia
Independent Director
Chairperson of CSR Committee

Annexure E

Report on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo for the Financial Year 2022-23

(A) Conservation of energy

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

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

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

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

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

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

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

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

(iii) The capital investment on energy conservation equipment:

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

(B) Technology absorption

(i) The efforts made towards technology absorption.

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

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

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

- **Wind tunnel study**

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

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

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

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

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

- **DC earth fault detection techniques like pulse based online/offline**
  Strength of the Company is being used to serve Project owners and make the Company a credible-reliable solar O&M Company as well as our large knowledge base/experience. In addition to other technologies and tools for various monitoring systems, we are also going to use latest technologies for DC earth fault detection techniques like pulse based online/ offline to increase the system availability and enhance the LCOE.

- **RE development**
  Company is implementing GW scale solar project in completely non usable barren, high corrosive land in Rann of Kuchh Gujarat with use of innovative & optimum technologies thus paving way for RE development in such difficult areas.

- **Low discharge BESS system**
  Indian Grid Code is getting revised for withdrawal of present net metering facility available in ISTS (Inter State Transmission System) connected projects. Many states have already withdrawn this facility and non-solar hour energy is being charged at commercial rates. This drives a future business case of long duration (i.e. 12 hours) low discharge BESS system to make the plant 100% RE driven self-reliant even in non-solar hour. Company has initiated action to make this self-reliant storage facility and its integration with the existing system in future.

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

  Company will participate in large scale floating solar projects (>500MW) which are instrumental in saving of precious land and considerable reduction of water evaporation and contribute towards environment.

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

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

- **Intelligent camera for monitoring of construction works**

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

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

- A reliable method/ protocol developed for "Soling Measurement" for a tracker-based system.
- An improved understanding of various string connection layouts on multi-plane system (2P or more) benchmarked and implemented.
- Usage of 1500V Modules of higher wattage up to 500Wp+ coupled with bifacial technology have helped lower the Balance of Systems (BOS) cost thereby providing an edge in acquisition of orders. This will reduce the land requirements, other BOS and thus indirectly conserve energy.
- Invertor station concept (purpose built) in many projects has been helping in achieving improved efficiencies in project execution.
- 8 MVA 3 winding transformers utilized to optimize BOS efficiency.

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

(a) The details of technology imported: We are using software for detailed design and engineering, simulations and arriving at more accurate solutions.

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

(c) Whether the technology been fully absorbed: Yes

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

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

(C) Foreign Exchange Earnings and Outgo:

(i) **Foreign exchange earnings for the year under review:** ₹ 615.15 Crore

(ii) **Foreign exchange outgo for the year under review:** ₹ 573.95 Crore

Annexure F

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

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year	Mr. Khurshed Daruvala	1.79
	Mr. Balanadu Narayan	0.64
	Mr. Cherag Balsara	0.71
	Mr. Keki Elavia	1.76
	Ms. Naina Krishna Murthy	0.38
	Mr. Pallon Mistry	0.60
	Ms. Rukhshana Mistry	1.72
	Mr. Saurabh Agarwal	0.64
The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year	Mr. Khurshed Daruvala	-16.47
	Mr. Balanadu Narayan[1]	N.A.
	Mr. Cherag Balsara [2]	N.A.
	Mr. Keki Elavia	-16.67
	Ms. Naina Krishna Murthy[1]	N.A.
	Mr. Pallon Mistry	-28.79
	Ms. Rukhshana Mistry	-15.67
	Mr. Saurabh Agarwal [1]	N.A.
	Mr. Chandra Kishor Thakur	10.78
	Mr. Bahadur Dastoor	9.39
	Mr. Jagannadha Rao Ch. V.	9.37
The percentage increase in the median remuneration of employees in the Financial Year	18.42%	
The number of permanent employees on the rolls of Company	806 as on March 31, 2023	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-23 was 15%, whereas the increase in the managerial remuneration for the same financial year was 12.78%. Managerial personnel includes Manager. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per the market trend.	
Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby confirmed that the remuneration paid to the employees is as per the remuneration policy of the Company	

Note(s):

(1) Appointed on April 07, 2022. Accordingly, no sitting fee was paid during the Financial Year 2021-22.

(2) Appointed on March 29, 2022. Accordingly, no sitting fee was paid during the Financial Year 2021-22.

STATUTORY REPORTS

Management Discussion & Analysis

ECONOMIC REVIEW

Global Economy

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic continue to weigh heavily on the outlook.

Russia's invasion of Ukraine stoked inflationary concerns as supply chain disruptions remained a threat. Food and energy prices are likely to be volatile even as interest rates in most parts of the world are on the rise. Structural reforms across economies can further support the fight against inflation by improving productivity and easing supply constraints, while multi-lateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation. The International Monetary Fund believes the worst of the economic pain is yet to come.

https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022

https://www.forbesindia.com/article/take-one-big-story-of-the-day/dawn-of-2023-a-cautious-world-economy/82093/1

Outlook

Global growth is expected to fall to 2.9% in 2023, but will rise to 3.1% in 2024. The forecast of January 2023 World Economic Outlook Update is 0.2% higher than that predicted in the October 2022 World Economic Outlook, but below the historical average of 3.8%. China's recent reopening has paved the way for a faster-than-expected recovery. Global headline inflation is set to fall from 8.7% in 2022 to 7.0% in 2023 on the back of lower commodity prices.

https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022

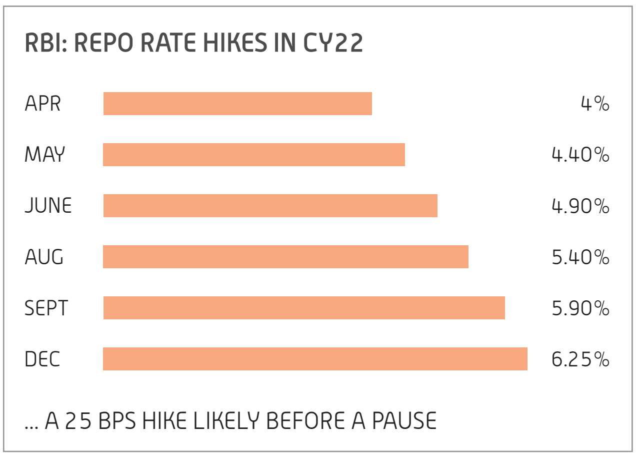
Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures, while maintaining a sufficiently tight stance aligned with monetary policy.

The 10-year economic outlook signals a prolonged period of disruptions and uncertainties for businesses, but there are also opportunities. Global growth will return to its slowing trajectory once the 2022-2023 regional recessions end, with mature markets making smaller contributions to global GDP over the next decade. Keys to ensuring growth over the longer term include developing new lines of business; strengthening corporate culture; embracing digital transformation and automation; recruiting for talent with new skills not currently represented in the company; and maximising the hybrid work model.

https://www.conference-board.org/topics/global-economic-outlook

Indian Economy

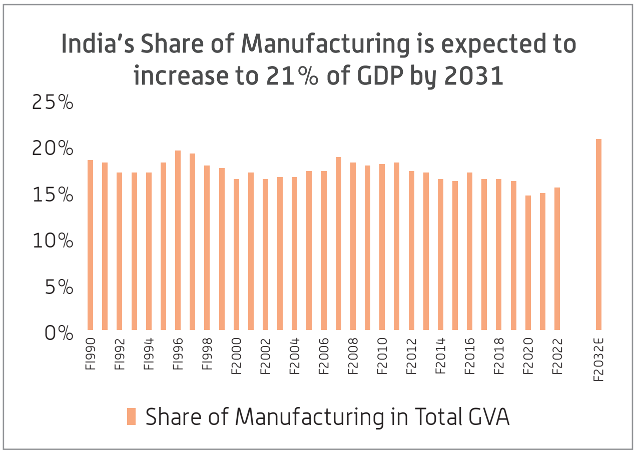
India is expected to grow between 6.5% and 6.9% in FY 2022-23, which is relatively stronger in comparison to other large economies and its emerging market peers. In its credit policy meeting in December, India's central bank reduced its growth forecast for FY2023 to 6.8% from its earlier estimate of 7.8%. India is already the fastest-growing economy in the world, having clocked 5.5% average GDP growth over the past decade. Now, three megatrends – global offshoring, digitalisation and energy transition – are setting the scene for unprecedented economic growth in the country of more than 1 billion people.



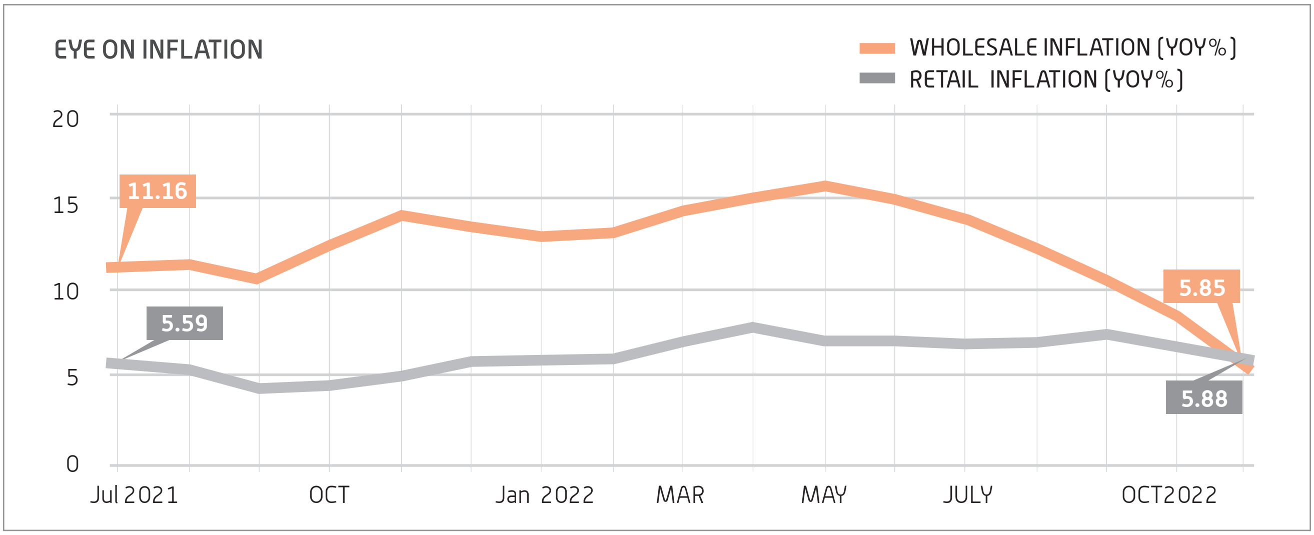
Outlook

Despite the challenges, India is gaining power in the world order and is on track to become the world's third largest economy by 2027, surpassing Japan and Germany, and have the third largest stock market by 2030, thanks to global trends and key investments the country has made in technology and energy. India's GDP is likely to more than double from US$ 3.5 trillion today to surpass US$ 7.5 trillion by 2031. A Morgan Stanley report predicts that India will be one of the only three economies in the world that can generate more than US$ 400 billion annual economic output growth from 2023 onwards, and this will rise to more than US$ 500 billion after 2028.

https://www.morganstanley.com/ideas/investment-opportunities-in-india#:~:text=India%20is%20already%20the%20fastest,more%20than%201%20billion%20people.



https://www.morganstanley.com/ideas/investment-opportunities-in-india#:~:text=India%20is%20already%20the%20fastest,more%20than%201%20billion%20people.



SOURCE: MOSPL OFFICE OF ECONOMIC ADVISOR

STATUTORY REPORTS

Full achievement of all climate pledges would move the world towards safer ground, but there is still a large gap between today's pledges and a stabilisation of the rise in global temperatures around 1.5°C.

INDUSTRY OVERVIEW

Global Energy Review

The global energy crisis triggered by Russia's invasion of Ukraine is causing profound and long-lasting changes that have the potential to hasten the transition to a more sustainable and secure energy system. "Energy markets and policies have changed, not just for the time being, but for decades to come," said IEA Executive Director Fatih Birol. Even with today's policy settings, the energy world is shifting dramatically before our eyes. Government responses around the world promise to make this a historic and definitive turning point towards a cleaner, more affordable and more secure energy system.

Global fossil fuel use has grown alongside GDP since the start of the Industrial Revolution in the 18th century: putting this rise into reverse will be a pivotal moment in energy history. The share of fossil fuels in the global energy mix in the Stated Policies Scenario falls from around 80% to just above 60% by 2050. Global CO2 emissions fall back slowly from a high point of 37 billion tonnes per year to 32 billion tonnes by 2050. This would be associated with a rise of around 2.5°C in global average temperatures by 2100, far from enough to avoid severe climate change impacts. Full achievement of all climate pledges would move the world towards safer ground, but there is still a large gap between today's pledges and a stabilisation of the rise in global temperatures around 1.5°C.

https://www.iea.org/news/world-energy-outlook-2022-shows-the-global-energy-crisis-can-be-a-historic-turning-point-towards-a-cleaner-and-more-secure-future

Global Renewable Energy Industry

Amid the major changes taking place, a new energy security paradigm is needed to ensure reliability and affordability while reducing emissions. The declining fossil fuel and expanding clean energy systems co-exist, since both systems are required to function well during energy transitions in order to deliver the energy services needed by consumers. And as the world moves on from today's energy crisis, it needs to avoid new vulnerabilities arising from high and volatile critical mineral prices or highly concentrated clean energy supply chains.

Stronger policies will be essential to drive the huge increase in energy investment that is needed to reduce the risks of future price spikes and volatility, according to this year's WEO. Subdued investment due to lower prices in the 2015-2020 period made the energy sector much more vulnerable to the sort of disruptions we have seen in 2022. While clean energy investment rises above US$ 2 trillion by 2030 in the States Policies Scenario, it would need to be above US$ 4 trillion by the same date in the Net Zero Emissions by 2050 Scenario, highlighting the need to attract new investors to the energy sector. Major international efforts are still urgently required to narrow the worrying divide in clean energy investment levels between advanced economies and emerging and developing economies.

The environmental case for clean energy needed no reinforcement, but the economic arguments in favour of cost-competitive and affordable clean technologies are now stronger and so is the energy security case. Today's alignment of economic, climate and security priorities has already started to move the dial towards a better outcome for the world's people and for the planet.

https://www.iea.org/news/world-energy-outlook-2022-shows-the-global-energy-crisis-can-be-a-historic-turning-point-towards-a-cleaner-and-more-secure-future

Projected Growth in Global Renewable Energy Market

US$ 881.7 Billion
Market size in 2020

US$ 1,977.6 Billion
Projected market size by 2030

8.4%
Expected CAGR (2021-2030)

https://www.alliedmarketresearch.com/renewable-energy-market

Powering a Safer Future with Renewable Energy

Fossil fuels, such as coal, oil and gas, are by far the largest contributor to global climate change, accounting for over 75% of global greenhouse gas emissions and nearly 90% of all carbon dioxide emissions. The science is clear: to avoid the worst impacts of climate change, emissions need to be reduced by almost half by 2030 and reach Net Zero by 2050. To achieve this, we need to end our reliance on fossil fuels and invest in alternative sources of energy that are clean, accessible, affordable, sustainable, and reliable. Renewable energy sources – which are available in abundance all around us, provided by the sun, wind, water, waste, and heat from the Earth – are replenished by nature and emit little to no greenhouse gases or pollutants into the air. Fossil fuels still account for more than 80% of global energy production, but cleaner sources of energy are gaining ground. Globally, the share of renewables in global electricity generation has jumped to 29% in 2020, up from 27% in 2019, and since then, renewable electricity generation is set to expand further.

https://www.un.org/en/climatechange/raising-ambition/renewable-energy#:~:text=Cheap%20electricity%20from%20renewable%20sources,helping%20to%20mitigate%20climate%20change.

The New Era of Renewable Energy – Key Challenges

Renewable energy developers have to navigate an increasingly complex and competitive landscape. Specifically, they need to focus on and address four emerging challenges. Developers need to act decisively to prepare for these upcoming challenges.

1. **Scarcity of top-quality land**

   Developers are in a constant scramble to identify new sites with increasing speed. An analysis of Germany, a country aiming to nearly double its share of electricity coming from renewables by 2030, offers a glimpse into the constraints. Of the 51% land potentially suitable for onshore wind farms, regulatory, environmental, and technical constraints eliminate all but 9%. Meeting capacity targets will mean adding wind turbines to 4% to 6% of the country, giving developers little room for error.

90%

Share of world's electricity that can come from Renewable Energy by 2050

(Source: IRENA)

85%

Decrease in cost of electricity due to solar power from 2010 to 2020

(Source: IRENA)

US$ 4.2 Trillion

Potential Annual savings due to reduced pollution and fewer climate impacts by 2030

(Source: IRENA)

90%

World population breathing polluted air

(Source: IRENA)

30 Million

Number of jobs that can be created by Renewable Energy and low-emission technologies by 2030

(Source: IEA)

https://www.un.org/en/climatechange/raising-ambition/renewable-energy#:~:text=Cheap%20electricity%20from%20renewable%20sources,helping%20to%20mitigate%20climate%20change.

2. **A blue-collar and white-collar labour shortage**
Across economies, the "Great Attrition" is making it difficult for companies to find and keep employees. Since April 2021, 20 million to 25 million US workers have quit their jobs, and 40% of employees globally say they are at least somewhat likely to leave their current position in the next three to six months. This environment presents a particularly acute challenge for industries such as renewable energy, where specific technical expertise and experience are crucial elements of success. For instance, analysis suggests that between now and 2030, the global renewables industry will need an additional 1.1 million blue-collar workers to develop and construct wind and solar plants, and another 1.7 million to operate and maintain them. This includes construction labourers, electricians, truck and semitrailer drivers, and operating engineers.

3. **Supply chain pressures**
The soaring cost of steel, manufacturing disruptions caused by extended lockdowns in China, and transportation backlogs at ports are already making it difficult for wind and solar developers to complete projects in their pipeline on time and on budget. Some of these pressures will abate as others move to the forefront. For example, many of the raw materials needed to manufacture solar panels and wind turbines are projected to be in short supply. This includes nickel, copper, and rare earth metals such as neodymium and praseodymium, which are indispensable for the creation of magnets used in wind turbine generators.

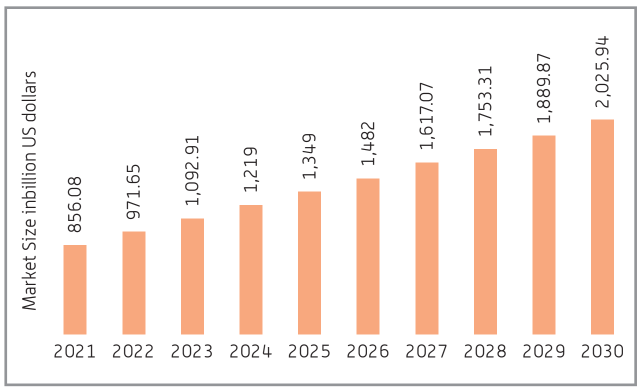
4. **Pressure on profits and volatility of returns in short term**
The increasing number of players moving into the renewable-development space, combined with reduced levels of government support and higher costs of materials, technology, and financing, is putting pressure on returns. At the same time, an all-time-high price volatility creates uncertainty and market risk.

https://www.mckinsey.com/industries/electric-power-and-natural-gas/our-insights/renewable-energy-development-in-a-net-zero-world

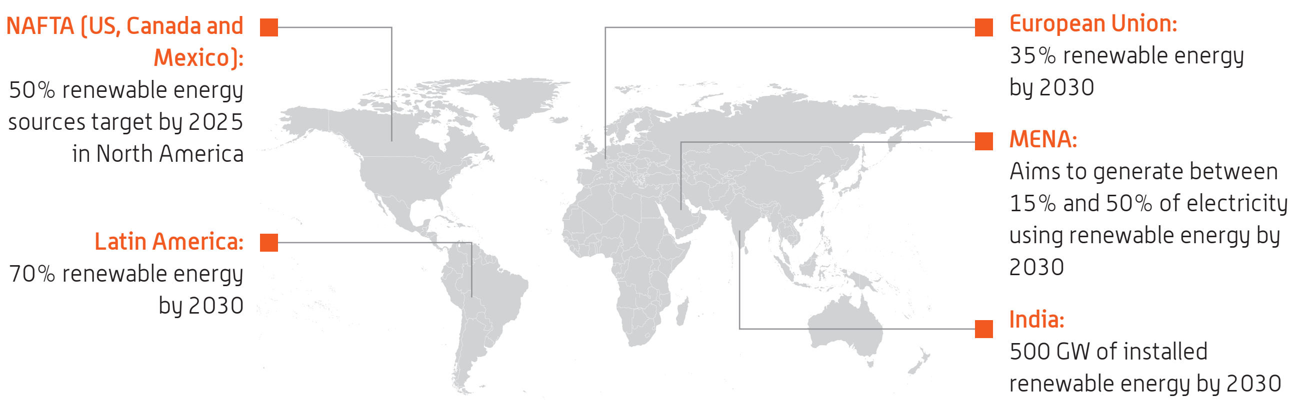
Global Renewable Energy Targets

According to the IEA, almost two-thirds of electricity generation needs to be renewable by 2030 to set the world up to achieve the 2050 Paris Agreement target. This means adding 12% more renewable generating capacity each year over the next eight years – double the current rate. Much faster deployment of all renewable technologies will be needed to put the world on track with the Net Zero Emissions by 2050 Scenario.

Renewable Energy – Market Size in 2021 vs Forecast for 2030



https://www.statista.com/statistics/1094309/renewable-energy-market-size-global/



The MENA region also includes African Union and West African states

https://en.wikipedia.org/wiki/Mandatory_renewable_energy_target
https://www.mei.edu/publications/pairing-renewables-energy-storage-could-help-mena-states-realize-their-green-goals
https://pib.gov.in/FeaturesDeatils.aspx?NoteId=151141&ModuleId%20=%202

The overall climate finance requirement by 2050 to achieve net zero emissions by 2070 will be in the order of tens of billions of dollars and around ₹85.6 trillion by 2030 for India's adaptation needs.

India scripts its Renewable Energy Future

Home to about 1.4 billion people and one of the fastest growing economies in the world, India has solidified its position as a leader in renewable energy. As of 2021, India's 147 GW of installed renewable energy capacity makes it the fourth-leading nation in renewable power capacity worldwide. Moreover, the Asian country's electricity production from renewable sources nearly doubled between 2011 and 2021. Despite these developments, India's overall energy mix is still dominated by thermal energy from coal and oil. However, the energy sector will see a shift towards renewables in the future. At the 2021 COP26 climate summit in Glasgow, Prime Minister Narendra Modi laid out India's plans for an additional 500 GW of renewable energy capacity by 2030. This goal is to be met mainly by significant increases in nationwide wind and solar installations.

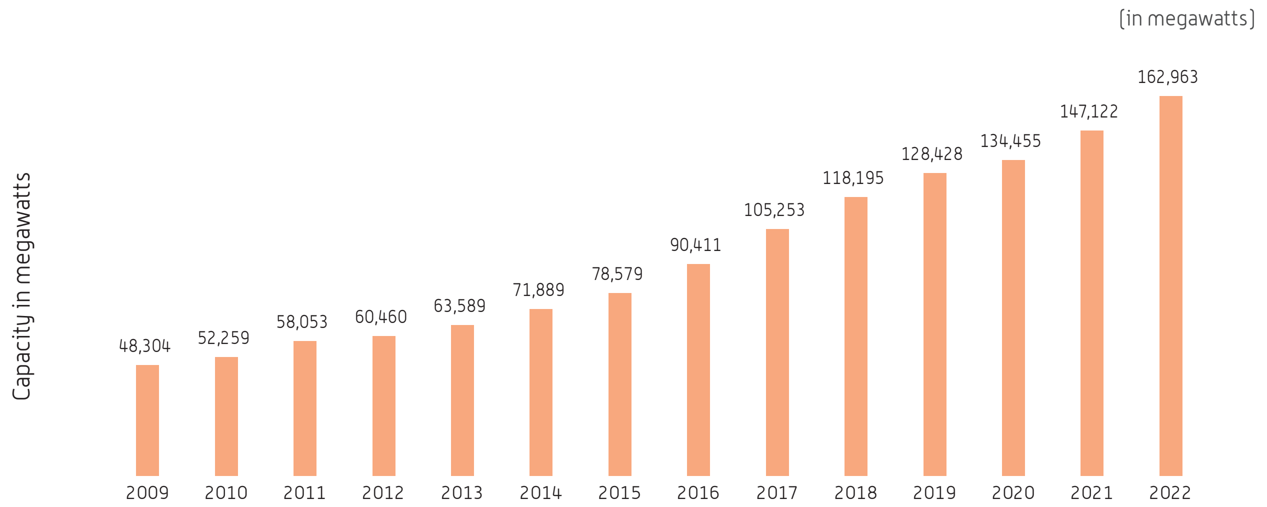
https://www.statista.com/topics/9608/renewable-energy-in-india/#topicOverview

Making India Net Zero by 2070

During the year, India submitted its long-term climate action strategy to the United Nations Framework Convention on Climate Change (UNFCCC) at UN Climate Conference (COP27), joining a select list of countries that have articulated how they will achieve their net zero emissions goal in the long term. India updated its nationally determined contribution (NDC) under the Paris Agreement to the United Nations apex body in August 2022, with two broad quantifiable goals – that India will reduce the emissions intensity of its GDP by 45% from 2005 levels by the year 2030; and achieve about 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030. The overall climate finance requirement by 2050 to achieve net zero emissions by 2070 will be in the order of tens of billions of dollars and around ₹85.6 trillion by 2030 for India's adaptation needs.

https://www.hindustantimes.com/india-news/cop27-india-unveils-strategy-for-net-zero-goal-by-2070-takes-moral-high-ground-101668447611871.html

Renewable energy capacity in India from 2009 to 2022



https://www.statista.com/statistics/865716/india-total-renewable-energy-capacity/#:~:text=The%20total%20renewable%20energy%20capacity,around%20163%20gigawatts%20in%202022.

STATUTORY REPORTS

Hybrid Energy Systems – A Game Changer in India's Renewable Energy Space

Renewable hybrids can play a key role in helping India accelerate the decarbonisation of power generation and lowering the cost of electricity in the medium term. India's ministry of new and renewable energy released a solar-wind hybrid policy in 2018, which provides a framework to promote grid-connected hybrid energy through set-ups that can use land and transmission infrastructure optimally and also manage the variability of renewable resources.

The industry expects an annual capacity addition of 10-15 GW for Wind and Solar in the next three years, facilitating India to reach its ambitious target of generating 500 GW by 2030 and meet 50% of energy requirement from Renewable Energy. Renewable hybrids can be a viable solution to meet future baseload power requirements at zero carbon emissions. It can combine wind and solar, with an additional resource of generation or storage. Hybrid is backed by grid and storage capacities and enables round-the-clock availability of renewable power, ease in scheduling hybrid projects and optimal utilisation of common infrastructure.

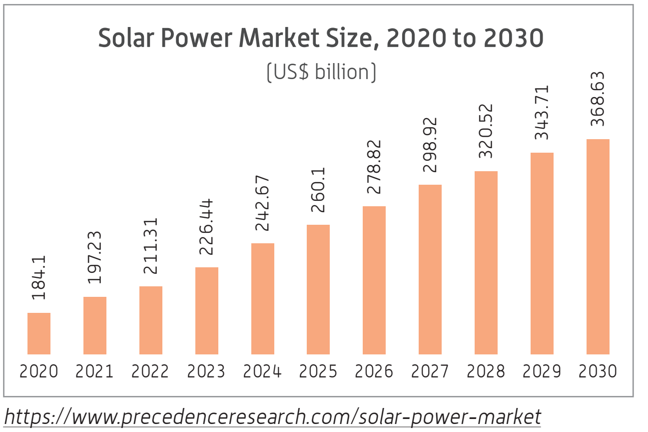
(https://www.mckinsey.com/capabilities/sustainability/our-insights/sustainability-blog/renewable-hybrid-energy-systems-as-a-game-changer-in-india)

Global Solar Power Industry – An Overview

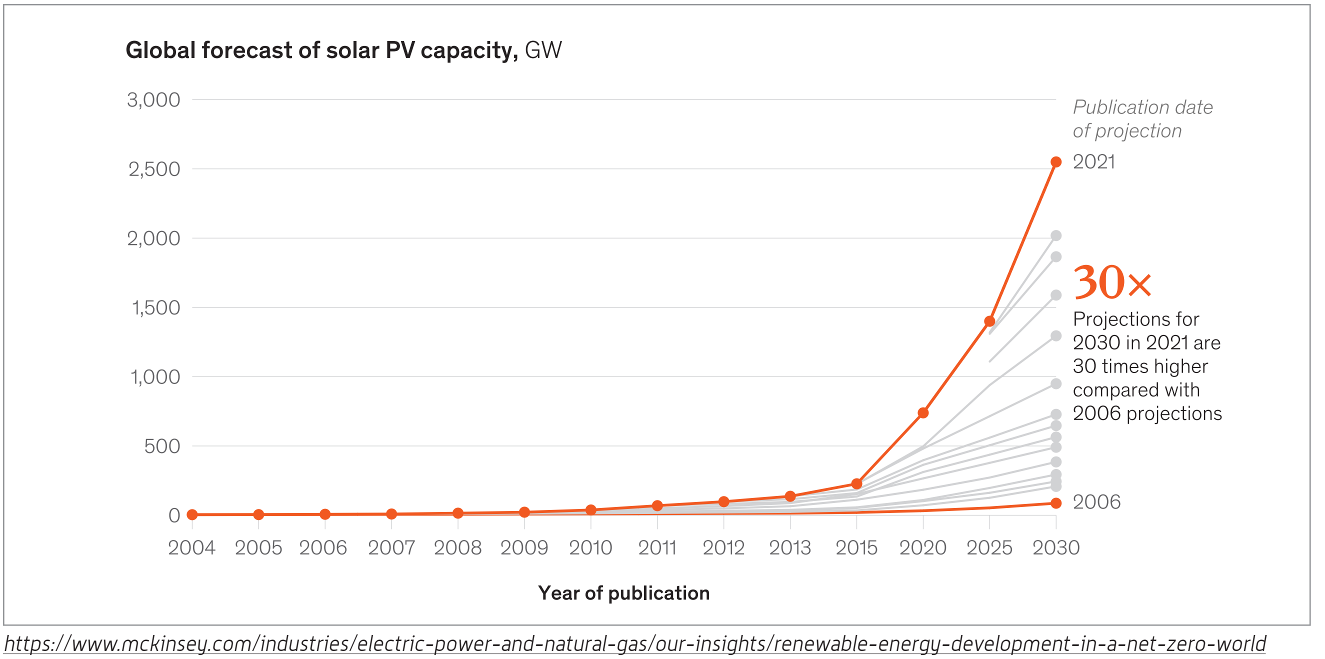
Solar Energy – Energy of the Future

The global solar power market size, which was valued at US$ 197.23 billion in 2021, is expected to hit around US$ 368.63 billion by 2030, and is poised to grow at a compound annual growth rate (CAGR) of 7.2% during the forecast period 2021 to 2030. Rising energy needs, falling costs, persistent energy deficit, heavy subsidies from the government, preference for eco-friendly technology are some of the key reasons for the rising demand for solar energy.

One of the prominent factors contributing towards the growth of the global solar power market is the growing prices of fossil fuels. The growing environmental concerns regarding greenhouse gases and carbon emissions. In addition, the increasing government initiatives and favourable policies in order to curb the adverse effects of the toxic gas emissions is driving the growth of the global solar power market during the forecast period.



https://www.precedenceresearch.com/solar-power-market



https://www.mckinsey.com/industries/electric-power-and-natural-gas/our-insights/renewable-energy-development-in-a-net-zero-world

Favourable government policies and increasing adoption of solar PV systems, with declining prices of solar panels and installation cost, are likely to support the global solar energy market. Other factors such as rising adoption of alternate clean power sources, like gas-fired power plants, onshore and offshore wind projects are likely to hinder market growth. Nevertheless, an increase in off-grid solar utilisation due to the decreasing cost of solar PV equipment and supportive global initiatives to eliminate carbon emissions are expected to create several market opportunities in the future. Due to its increasing solar installations, the Asia-Pacific region has dominated the solar energy market in the past few years and is expected to be the largest and fastest-growing region in the solar energy market during the forecast period.

https://www.mordorintelligence.com/industry-reports/solar-energy-market

Emerging economies have significantly increased the production of solar technologies owing to governmental tariffs, and merger and acquisition of local manufacturers. Moreover, North America and Europe have largely focussed on research to maximise the solar potential. Middle East and Africa have also gained traction owing to increase in applications of solar energy for power generation, agriculture, and architecture.

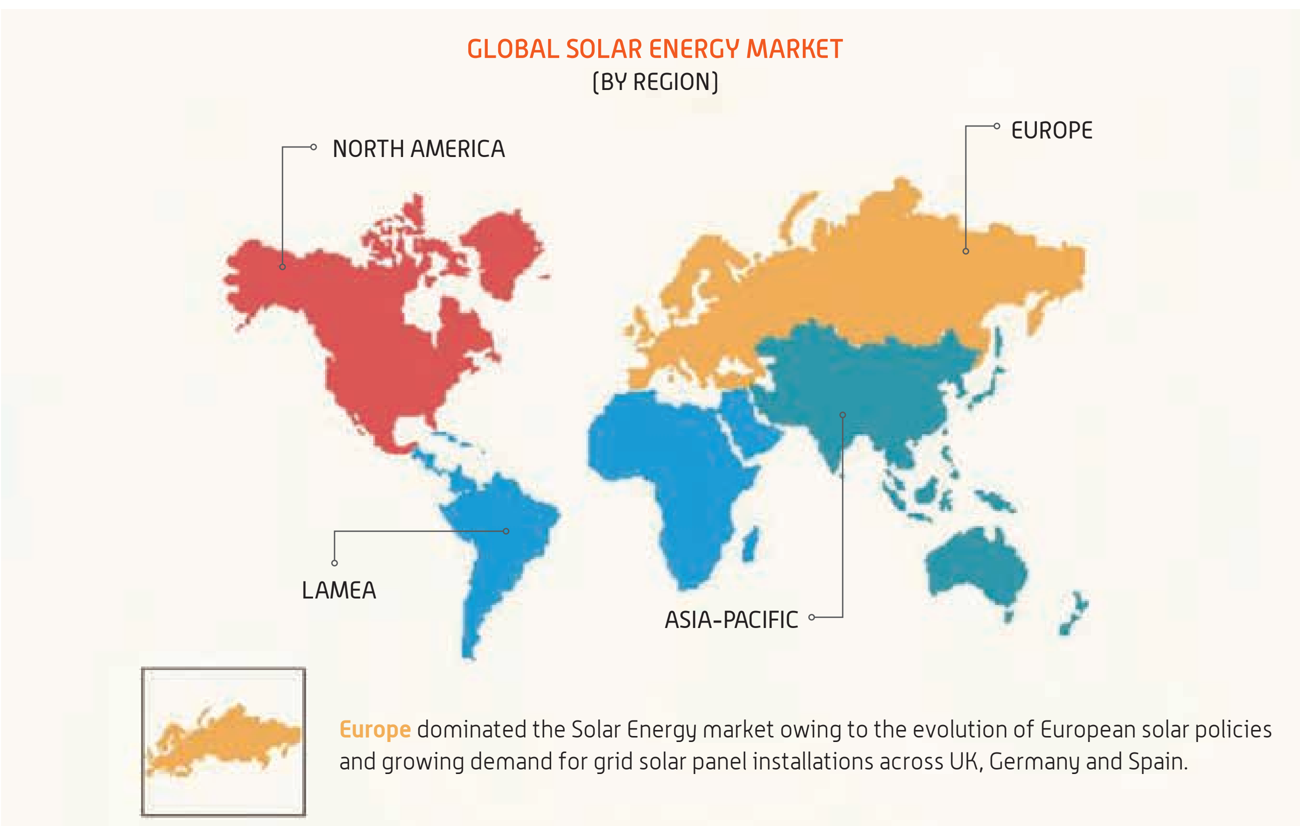
Key challenges during the year

One of the significant challenges that the solar industry faces is that solar panels can convert a tiny percentage of sunlight into energy. The reliability of the solar panels is also an issue, especially in those geographical areas where sunlight is not available in abundance. Challenges that the solar sector faces are in the form of: high manufacturing costs, diverse supply across states, need for increase in government cooperation, inefficient financing infrastructure, lack of consumer awareness, and an overall lack of uniform standards.

Some of the key challenges:

High manufacturing cost

Due to the high cost of solar power generation, a lot of the premium equipment used in a solar power plant had to be imported. The high module prices, along with other teething problems such as central and state policies and land issues contributed to the slow growth of the solar industry. It was from the year 2014 that there was a noticeable growth in the solar industry, thanks to the reducing cost of equipment owing to equipment used by Indian manufacturers. However, trying to compete with China's strong manufacturing base still poses a huge challenge.



https://www.alliedmarketresearch.com/solar-energy-market

Waste management

Any growing industry will produce waste and solar is no exception. Even though solar modules and other equipment have a life of about 25 odd years, the modules do get damaged and need to be disposed of. This contributes to the solar waste in the country. Currently, India does not have a solar waste disposal policy and needs one on the lines of e-waste, where the guidelines are set for proper disposal or recycling of waste generated by the solar industry.

Land availability

One of biggest challenges in the solar sector is the availability of land. Solar PV plants require a large amount of contiguous land to set up. This is particularly challenging in a country like India, given the land ownership issues, local politics, and terrains.

India Solar Energy Market

The world is rapidly switching to renewable energy. As climate change is causing huge shifts in the industry, countries are trying to decarbonise the energy sector by 2050. In India, with about 300 sunny days a year, the solar incidence can reach up to 5 EWh/year. It is also estimated that the solar energy available in a single year exceeds the possible energy output of all of the fossil fuel energy reserves in India.

India is well positioned to take climate leadership as a prime example on the possibilities of enabling clean power generation by unleashing solar power. Solar energy dominated India's power generation capacity growth in 2022. The country added 13.9 GW of solar capacity in 2022, which is as much solar capacity as UK's entire solar fleet in 2021. With this, the total solar capacity in India stood at ~62 GW. Rajasthan and Gujarat, the top two states in solar deployments, together added 8.6 GW in 2022, slightly more than Turkey's entire solar fleet in 2021. Installations in all other states combined were also sizable at 5.3 GW, larger than Chile's entire solar fleet.

(https://ember-climate.org/insights/research/india-data-story-2023/)

As per the recent Union Budget for FY 2023-24, India has massive plans to boost its green energy production through solar projects and reduce its dependence on fossil fuels. Owing to a strong commitment from the Indian government, India's future in solar energy is looking much brighter.

Despite India receiving an abundance of sunlight, the potential of this energy was not tapped into for a very long time. The shift came about when the concerned authorities looked at the demand for electricity across India and the shortfalls from conventional sources. Policies to ensure optimum utilisation of this natural resource were put into place and it has been on onward journey ever since. To give context to the energy shortfall – the demand supply gap of electricity is around 12% of the overall energy demand.

Rising demand and growth in Indian solar market

India's solar energy sector has experienced incredible growth during the last few years. After having installed 60 GW of solar energy over the past few years, India still has a pipeline of about 58 GW utility-scale projects. This demonstrates the solar industry's rapid expansion and steady development, making it a competitive alternative for the country.

According to studies, by 2040, India's portion of the world's total primary energy demand is expected to approximately quadruple to 11%. In order to fulfil this enormous increase in demand while also keeping its promise to cut its carbon footprint by 35% from 2005 levels, India will need to treble its power generation by 2030. The demand for energy will soar as the country's economy expands quickly and turns into a global industrial powerhouse.

India's rising demand for solar energy

Factors influencing the future of Solar Energy in India

Foreign Direct Investment

Inhibiting foreign direct investment (FDI) is one of the most significant and essential measures in boosting the industry and speeding up the expansion of Indian enterprises investing in solar energy. Making the nation more conducive to manufacturing, providing tax breaks, and subsidies can aid in the country's solar energy sector's rapid expansion. This will not only benefit the businesses, but also demonstrate how India's overall solar energy industry can flourish. The sector needs to be integrated backward, and the government should promote companies in remaining innovative and achieving greater results.

Role of private sector in promoting renewable energy

As India witnessed a coal crisis in 2021, resulting in high pricing at the power exchange, the large corporations changed course and focussed on more affordable, reliable, and clean renewable energy sources. This demonstrates that in addition to the fact that renewable energy projects have a far greater return on investment, economics drives these decisions. The growth of the solar sector is largely driven by private players. Private businesses are preparing to engage in the renewable energy sector since it promises a faster return on investment than fossil fuel-based energy does.

Geographical advantage

India benefits greatly from its position as it is in a tropical area, which is advantageous for the solar energy sector. It receives a tremendous amount of solar energy all-year long, which equates to almost 3,000 long hours of sunshine per year. India is thus able to help other nations in addition to meeting its own energy needs, owing to its extensive solar energy potential. Additionally, some states in the country also have the capacity to produce a significant amount of energy even on cloudy days.

Sector to promote India's AtmaNirbhar mission

For the import of several solar applications, such as solar inverters and solar batteries, among others, India is heavily reliant on China. The government's policies are intended to make India less dependent and more self-reliant. In 2021, the Finance Ministry imposed a customs duty hike on solar inverters from 5% to 20% and solar lanterns from 5% to 15% to encourage domestic production of the solar inverters, increase the independence of manufacturers, combat the high cost of solar equipment and develop a strong local solar manufacturing ecosystem. India also needs prompt action to become self-sufficient by motivating and assisting domestic manufacturers to abandon reliance on imports and turn truly AtmaNirbhar. In order to promote growth and get India closer to meeting these goals, suitable government policies in favour of the renewable energy sector need to be implemented swiftly and efficiently.

Declining cost of solar energy sources – A key trend

In the past, high cost and intermittency affected the adoption of renewable sources of energy in India. The intermittent nature of solar energy can be overcome by integrating energy

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storage with the system, which increases the adoption of renewable energy in hybrid systems. Renewable energy prices in India have been reducing gradually. The Government of India is also providing tax incentives to users, which reduces the installation costs and results in the reduction of the final cost of solar energy. As a result, solar power has been giving tough competition to fossil fuels such as coal-based power in the country. India imports solar panels from China at significantly low prices, which is expected to spur the demand for solar power systems, and also for solar energy among all other renewable sources. Hence, declining costs of solar energy will drive the growth of the solar power market in India.

Global Solar EPC Industry

The global solar EPC market size, which exceeded US$ 133 billion in 2019, is estimated to reach US$ 158 billion by 2026, expanding at a CAGR of 2.5% during the forecast period. It is anticipated to surpass an annual installation of 100 GW by 2025

https://dataintelo.com/report/solar-engineering-procurement-and-construction-epc-market/

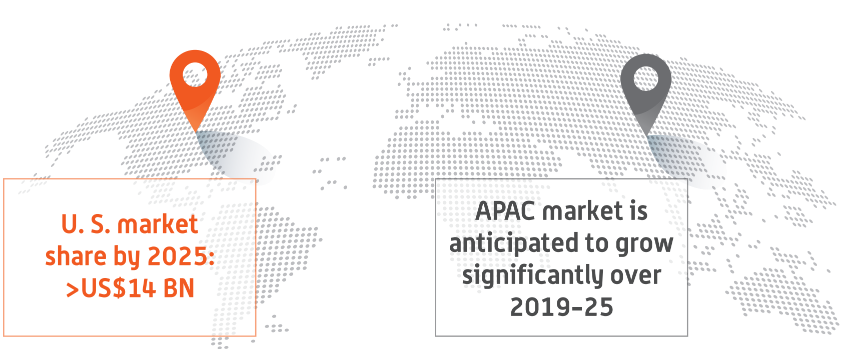
Favourable government initiatives including subsidies, FiT, leveraging schemes, investment tax credits and tax rebates have instituted a favourable business scenario. In addition, the restructuring of trade policies and investment flow across developing regions will augment the overall market growth. A significant decline in the cost of plant components has positively influenced the technological deployment.

https://www.gminsights.com/industry-analysis/solar-epc-market

Global Market Insights

SOLAR EPC MARKET

‹‹‹‹ Regional Outlook ››››



U. S. market share by 2025: >US$14 BN

APAC market is anticipated to grow significantly over 2019-25

2018	US$130 BN
CAGR (2019-25)	2.5%
2025	> 100 GW Annual Installation

Geography-wise Outlook

United States

The solar EPC market in the United States is predicted to grow over US$ 14 billion by 2025. Government mandates to reduce dependence on fossil fuels, coupled with positive financial mechanism to encourage installation of sustainable energy technologies will complement the product demand. Growing fund flow to replace existing plants with clean energy technologies will further enhance the business portfolio. In US, labour cost increased due to shortage of labour supply and had led to a decline in margins.

https://www.gminsights.com/industry-analysis/solar-epc-market

Europe

The solar EPC market in Europe is projected to grow on account of favourable government inclination towards the adoption of sustainable technologies across the region's net energy mix. Positive government measures with plans to reduce GHG emissions coupled with strict energy efficiency norms will further escalate business growth.

https://www.gminsights.com/industry-analysis/solar-epc-market

Asia Pacific

The solar EPC market in Asia Pacific region has witnessed growth owing to favourable regulatory reforms and rising renewable investments across the region. Favourable government support programs, renewable integration targets, self-consumption schemes, investment subsidies and similar regulatory reforms have significantly strengthened the industrial peripheral. Rapid economic growth across the developing nations, and growing energy demand across emerging electricity markets has further fostered the business outlook.

https://www.gminsights.com/industry-analysis/solar-epc-market

Middle East and North Africa (MENA)

MENA region has one of the world's highest solar irradiances. The region is expected to have added 5.6 GW of installed capacity from renewables in 2022, nearly double the 3 GW which came online in 2021. By 2026, the region is expected to add 33 GW by installed capacity of renewables, with around 26 GW as utility and distributed solar PV, according to a report published by Arab Petroleum Investments Corporation (APICORP). According to APICORP, MENA countries must rapidly scale up and integrate variable renewable energy targets in the medium term.

The region is planning over 73 GW of new utility scale solar and wind power projects, a five-fold increase in its current capacity. The central drivers behind the size of the region's utility-scale solar projects are trifold. First, the region is looking to capitalise on the demand for energy storage. Second, it is looking to become a transcontinental node for renewable energy exports, especially given the increasing urgency with which European countries seek alternatives to gas imports. Third, the region is poised to reap the benefits of its favourable conditions for building renewable projects.

Investment in MENA's power sector is seen exceeding US$ 250 billion, the highest of all energy sectors. Of these, nearly US$ 60 billion worth of power projects are being developed in Saudi Arabia, followed by Egypt were US$ 37 billion worth of power projects.

https://mercomindia.com/mena-region-grow-utility-wind-solar-2030/

https://www.pv-magazine.com/2023/01/17/menas-leading-solar-pv-markets/

Australia

Australia is leading the world in the uptake of solar with photovoltaic installations generating over 12% of the nation's electricity in 2021. The share of solar and wind in Australia's energy market has increased from 13% earlier to 22% in 2021, driven by the rising number of residential and commercial rooftop solar installations. The government aims to have 82% renewables in the national electricity market by 2030.

https://www.energymatters.com.au/renewable-news/2022-a-year-in-review-solar-in-australia/

The recent election in Australia has been a game changer in terms of policy support for renewable energy. The new Labour government's target is of 82% renewables and a number of multi gigawatt project proposals. The government is expected to unlock renewables investment, upgrade the grid and bring federal policies more in line with states and territories with ambitious climate goals.

Solar is clearly going to be a big part of Australia's renewable energy future. The country is already installing 4 GW of solar photovoltaic capacity a year, and annual installation is predicted to triple by 2050. With the country having a sizeable solar EPC market, it has a golden opportunity to expand solar manufacturing products as the industry booms and the countries scramble to cut their over-dependence on China. The COVID-19 pandemic helped spur demand for more local manufacturing capability, giving an impetus to domestic production capability.

https://www.theguardian.com/environment/2022/sep/25/australia-has-a-golden-opportunity-to-expand-solar-energy-manufacturing

As Australia shifts away from fossil fuels towards renewable power, skilled labour shortage has been an issue the country faces for many years, with the COVID-19 pandemic having exacerbated the problem. The surge in size and scope of proposed large-scale solar projects has added an extra element to the equation. Today, securing skilled labour is one of the key challenges confronting the solar EPC industry in Australia, and this is putting development of new large-scale solar farms under strain. Solar EPC players are struggling to find resources to service the solar projects. The growing skills shortage in the country is described as a "public infrastructure workforce crisis".

https://www.pv-magazine.com/2022/04/01/epc-giant-says-australian-large-scale-solar-faces-workforce-shortage/

India

The Indian solar EPC market reported good growth during the year as several EPC projects, both government and private, took off. Enabling policies, incentives and subsidies backed by the government further accelerated and facilitated these projects. The Green Open Access Policy, 2022, was a huge victory for the solar EPC market. Several new players jumped in, indicating a thriving solar market with numerous opportunities. The Union Budget FY 2022-23 providing a budgetary allocation of ₹ 3,365 crore for the solar power sector entailed off-grid solar projects.

During the first half of CY 2022, India installed approximately 7.2 GW of solar projects, that is more than 50% increase year-on-year, indicating a thriving solar market with numerous opportunities. And by the end of the year, India ranked 4th in the world for solar deployment by adding a total installed capacity of 61.97 GW. Around 85% of this was achieved by

Solar EPC players are struggling to find resources to service the solar projects. The growing skills shortage in the country is described as a "public infrastructure workforce crisis".

utility-scale projects, indicating tremendous growth as leading EPC players line up projects. Enabling policies, incentives and subsidies backed by the government further accelerated and facilitated these projects.

This is remarkable as India targets renewable energy installation of 500 GW by 2030. Rooftop solar is also being revamped to help India achieve the 2030 target. The country also witnessed the establishment of several floating solar power projects during the year.

Going forward, in FY2024, all the segments in the EPC market are estimated to grow, be it residential, commercial or industrial. The emergence of a new technological trend expected in the EPC sector will be the use of innovation that can increase efficiency in EPC. For example, blockchain technology can provide a more secure and fast-moving workflow that allows all the involved parties to improve productivity.

Further, there is a need for state regulators to work on easy adoption, awareness programs and take various policy measures to attract more residential, C&I segments to adopt RTS and central simplified subsidy scheme launched. Other foreseeable key trends are Open Access Solar Parks, Agrivoltaics, Floating Solar Power Plant and Off-grid Solar Systems.

https://www.saurenergy.com/solar-energy-news/solar-epc-after-strong-2022-industry-looks-ahead-to-continuity-in-2023#:~:text=The%20EPC%20market%20reported%20good,50%25%20increase%20year%20on%20year.

Global Solar O&M Industry

The global non-residential solar operations & maintenance (O&M) business is predicted to more than double to US$ 9 billion by 2025 from being a US$ 4 billion market in 2019, according to global research & analytics firm Wood Mackenzie. A steady growth in the global solar power industry has led to an unprecedented and rising demand for O&M services. As the solar O&M story continues to be on a growth path, cutting-edge technologies have the potential to optimise critical components, stay competitive and revolutionise the solar O&M industry.

Total global solar installed capacity is expected to reach 2.2 terawatts by 2030. That means rapid growth for the solar O&M sector over the next decade. The global energy consultancy Wood Mackenzie estimates a total 2030 market opportunity of US$15 billion, which is nearly a four-fold increase on 2020 figures. According to the market research company, in the Asia Pacific (APAC) region, the market will reach US$ 4.1 billion, in Europe, the Middle East and Africa (EMEA) US$ 3.5 billion, and in the Americas US$ 1.8 billion.

To further develop the O&M market, performance indicators and standard O&M operator services, the International Energy Agency Photovoltaic Power System Programme (IEA-PVPS) has published new guidelines. This is aimed at helping PV asset owners with climate-specific O&M programmes for four climatic zones – moderate, hot and dry, hot and humid, and deserts at high elevation areas. The report also presents guidelines for monitoring and forecasting, as well as technical tools to analyse PV plant performance and safety. A combination of well-designed O&M specifications, proactive monitoring systems and a flexible and tailored O&M regime that considers both possible weather impacts on systems, as well as possible changes to grid requirements are good practices to ensure that PV systems perform according to or even beyond expected lifespans.

https://www.pv-magazine.com/2022/11/03/new-standardized-guidelines-for-solar-om/

India Solar O&M market

With solar energy playing a noteworthy role in India's energy transition too, an ever-appealing opportunity transcends the solar O&M industry. India's solar footprint has matured from 3.7 GW in 2015 to ~62 GW in FY2022. With this, domestic solar O&M has emerged as a separate market with its own landscape and dynamics. As more and more solar plants get stable, an increasing number of O&M contracts are getting re-tendered, presenting a growing opportunity for O&M providers.

A typical Solar PV plant has lifespan of over 20 years. With lowering tariffs in India, the O&M of the plant has become more critical to ensure overall profitability of the plant and can impact the project IRRs significantly. The O&M market in India has matured significantly over the last few years. While the plant sizes are increasing, the developers are also expecting better performance levels. There is an increased requirement of higher performance guarantee and plant availability numbers. This, coupled with reducing price expectations, is making the market highly competitive. Best-in-class service offerings, aligned with customer expectations, at competitive pricing are becoming the order of the day.

Key Challenges

Grid issues is one of the major challenges affecting O&M in India, resulting from grid throttling, grid variations and instability, which eventually results in equipment under performance and increased downtime. With reducing prices, there is an increasing pressure to optimise processes to in-turn optimise costs. Security is the biggest contributor to the cost, followed by site manpower and module cleaning cost. Therefore, increased dependence on technological alternatives for plant surveillance, module cleaning and remote monitoring for plant performance will be critical to optimise critical cost components and stay competitive in the market.

COMPANY OVERVIEW

Sterling and Wilson Renewable Energy Limited (SWREL/ the Company) is a global pure-play, end-to-end renewable engineering, procurement and construction (EPC) solutions provider. Its key focus is to provide project design and engineering and to manage all aspects of project execution – from conceptualising to commissioning. It also provides Operations & Maintenance (O&M) services for own projects and those constructed by third parties.

With its presence spanning 29 countries and a pipeline of more than 5 GWp solar under development, SWREL will benefit from its partnership with RIL, which acquired 40% stake in SWREL during FY 2021-22 to take forward its renewable energy vision. While SWREL will benefit from Reliance Group's integrated new energy vision, its own engineering talent, deep domain knowledge, global presence and experience of executing some of the most complex projects on a global scale are making it of paramount importance for the Reliance solar value chain.

Service Offerings

- Utility scale
- Floating solar
- Hybrid & energy storage
- Operations & maintenance

PRESENCE

- SWREL's operations are spread across India, South-East Asia, the Middle East, Africa, Europe, Australia and the Americas
- Presence spread across 29 countries

End-to-End solutions provider for Solar requirements

The Company is well placed to be the preferred EPC solutions provider globally, with its unparalleled global reach and presence, strong relationship with customers and lenders, and a well-established project execution experience.

Our Key Offerings

Design & Engineering

Innovative, efficient and cost-effective solutions provided through a proficient team of over 155 experts

Procurement

Highest quality standards are maintained through a rigorous quality management system encompassing strict vendor selection process

Inspection and Audit

Provides superior quality solar components through a strong 3-stage audit process of the vendor's facility, along with pre-shipment inspection

Construction

In-depth final inspection and testing of constructed plants helps execute robust designs conferring to highest safety standards

Field Quality Monitoring

Central monitoring of all under-construction plants, enabling best-in-class quality and prompt delivery

O&M Services

Sturdy operations, timely corrective measures and high yield output guaranteed. Committed to long-term O&M services for own customers and third-party projects

Key Market Differentiators

Understanding of customers' needs and excellent execution track record, coupled with world-class technology and O&M proficiency, differentiates us from other EPC players in the market.

Cost Effective

Leveraging the low-cost India base for global execution providing cost competitive solutions

Talent Pool

Strong inhouse design and engineering team providing customised solutions

Global Presence

One of the only global pure-play solar EPC players with a significant presence and operational experience across geographies

Experience

Strong track record of executing complex and large-scale EPC projects leading to high customer retention and repeat business

Strong Relationships

A bankable player with strong relationships with customers and other key stakeholders

Expeditious

Quick decision-making and well-defined internal processes leading to timely execution

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

Business Segments

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

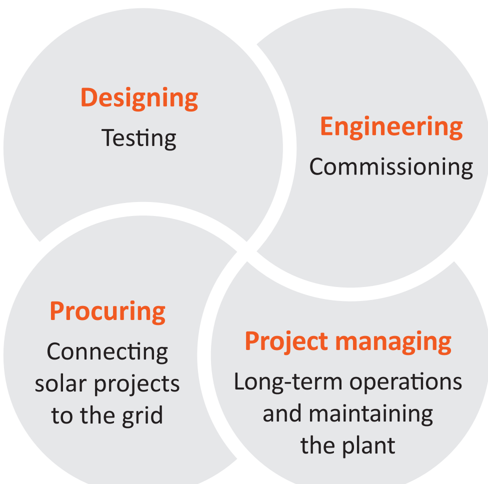
EPC Business

The Company provides a complete range of EPC solutions and end-to-end services and has a current EPC portfolio of 14.7 GWp. It is one of the leading solar EPC players across India, Africa, the Middle East, Australia and Latin America, and further consolidating its foothold in Europe and United States. With a focus on project design and engineering, it is capable of managing all aspects of project execution – from conceptualising to commissioning.

- **Utility-Scale Solar**

  SWREL has wide experience in offering a range of comprehensive customised solutions including Turnkey, Balance of Systems (BoS) and packaged BoS. With successful execution of several landmark projects across the globe, it has demonstrated superior EPC capabilities.

Capabilities in Utility-Scale Solar



- **Floating Solar**

  SWREL is one of the first movers in the floating solar segment. It is ready to execute larger projects, having developed ample technological expertise in this segment.

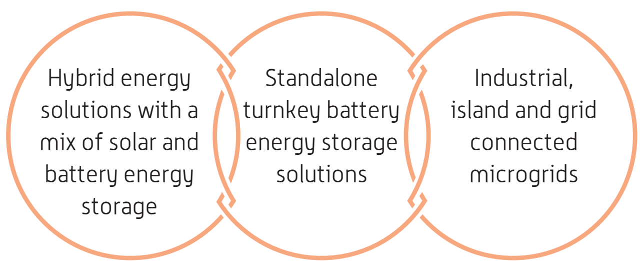
Capabilities in Floating Solar

Anchoring and mooring	Project management and planning	Module and equipment floating structure installation
Maintenance manual	Design book issuance	Bathymetric and geotechnical assessment studies

- **Hybrid and Energy Storage**

  SWREL is in a gainful position to leverage on the growth opportunity presented by the renewable energy industry. Given the rise in solar installations, it has developed a capable, technically sound and dedicated BESS team with vast experience in Storage Solutions. In collaboration with leading battery manufacturers and energy storage solution providers, it has developed in-house expertise in designing energy storage solutions and offering the right technology to cater to customers' requirements and solutions efficiently and optimally.

Key Offerings



O&M Business

SWREL is a global leader in O&M and asset management solutions, providing superior quality services to existing EPC projects and third-party customers. The O&M vertical is witnessing strong traction with a portfolio of 6.4 GWp with differentiated technologies. The portfolio has nearly doubled in the last four years. It contributes 9.5% to the Company's Total Revenue. The O&M projects deliver plant ROI by consistently surpassing performance guaranteed to its customers.

The segment provides a steady source of income to the Company, given its annuity-based contracts during the O&M service contract tenure, and an opportunity to earn better gross and net profit margins. With its strong EPC portfolio and client engagement, the Company leverages insurance and warranty in the O&M segment.

Performance of O&M Business in FY 2022-23

O&M Revenue decreased **14.8%** to **₹ 189.9 Crore**

Contracted **6.4 GW** O&M business for 146 sites (including third-party)

Constituting **9.5%** of Total Revenue vis-à-vis **4.3%** in FY2022

Gross Margin for O&M business at **4.8%** vs **24.9%** in FY2022

About 57% of the O&M portfolio of SWREL is from third-party contracts. The Company is gaining third-party O&M contracts for new-energy businesses too. It is already working on a hybrid solar and wind (battery and generation) project. In addition, it is also doing 140 MW Solar Floating Reservoir, which is one of the largest floating solar awarded for Tower Bridge.

R&D proficiencies

Yet another key advantage of SWREL's O&M vertical is one of its best technical teams with inhouse R&D, well supported by the Design Engineering team. It helps the Company maintain excellent relationships with all global IPPs and has over 146 solar plants under O&M, spread over multiple locations across time zones. It has an opportunity to further scale up the O&M business in these markets, when Defect Liability Period (DLP) ends in plants with existing EPCs. SWREL keeps track of such contracts in order to monetise the anti-incumbency sentiment.

Scaling higher

At SWREL, the O&M segment is scaling higher year-on-year, given its strong presence in the emerging markets and also in markets with historically built solar plants. It is working on scaling the O&M portfolio higher by adding at least 2 GW by FY2024, projecting good revenue visibility. Most of this 2 GW will be achieved by increasing third-party share in total O&M portfolio, which is 50%+ currently. The Company is further working on increasing its capacity by 35%. It is focussing on increasing its market share by identifying profitable opportunities in international markets through global customer mapping and also by leveraging strong partnerships with global IPPs.

99.7%

Average availability in most O&M plants (Higher than current norm of 99.5%)

Leveraging O&M opportunities across the value chain

Wind and Hybrid	Battery Storage + Solar + Digisets	Site monitoring through satellite – advance and futuristic systems with geo-tagging

Value-added services

The O&M team offers key market differentiators including drone thermography, strong analytics and predictions, underground cable fault finder. It also offers solutions for maximising and optimising plant generation performance. And it is continuously targeting customer expectation on generation – trying to achieve higher than target.

The Company also capitalises on the growing opportunities in the O&M market given its strong team of expert engineers, managers and data analytics with in-house R&D team and centralised monitoring platform and computerised maintenance management system. It provides flexibility to the developers by signing both short-term and long-term O&M contracts.

The NABL-certified mobile module testing lab in India and cutting-edge technological knowledge enables SWREL to leverage the O&M opportunity. The lab tests modules at the plant location and saves time and transportation costs. Its performance and due diligence team analyses and suggests measures for optimum plant performance.

Technology-driven and state-of-the-art systems

To gain a competitive edge in the market, the Company focusses on technology automation with an expert team and in-house resources to provide different type of services, without having to depend on the external resources. It works on different technologies to strengthen its predictive and preventive maintenance capabilities with different devices for sensing external faults. It replaces manual module installation with robots for large scale projects and automated cable laying. Technology driven O&M is a prerequisite to maximise Levelised Cost of Energy (LCOE).

AI/ML is the key differentiator for us – can predict target of generation on first day. AI will pick up data from SCADA, and with ML will predict downtime for maintenance.

Technological Innovations in FY 2022-23

- Central Monitoring System – Inhouse CMS and CMM Systems – plant can be monitored from anywhere; track plant performance through mobile phones
    - o Conducting demo for visual monitoring of solar plants on Mobile/Laptop at Rajasthan
    - o Thermo Graphic Camera installed for visual monitoring – can take 360-degree view for thermo signature of human beings
- After Dry Cleaning Robots, also adding Wet Cleaning Robots
- Robot on Trekker – to ensure better efficiency
- Automation in grass cutting with 5-times better efficiency – trial conducted on project site
- Planning to set up company to design Robots

Key Operational Highlights in FY 2022-23

- Bagged two orders worth over ₹ 4,000 crore from NTPC REL for solar PV projects at Khavda RE Power Park, Rann of Kutch, Gujarat. Scope of work for projects of 1,568 MWdc and 1,500 MWdc includes design, engineering, supply, construction, erection, testing, and commissioning along with a 3-year operation & maintenance contract.
- Signed MoU with government of Nigeria to develop and construct a portfolio of PV and battery energy storage system projects. With consortium partner Sun Africa, it will develop 961 MWp of solar at five locations with BESS with total installed capacity of 455 MWh.
- Won two utility-scale solar projects of 121.2 MWp each from Amplus Solar, worth ₹ 350 crore (including taxes and duties). This is the company's sixth consecutive project with Amplus Solar.
- Won a project of 60 MWp from Ampyr Renewable Energy, a new client. Scope of work comprises supply of complete BOS with 33/110 kV switch yard and robotic cleaning solutions.
- Bagged a new project of 260 MWdc from Serentica Renewables in Bikaner, Rajasthan. Scope of work for the project includes BOS with 33/110 kV switch yard including 2x120/150 MVA power transformer, trackers as per specifications and robotic cleaning solutions. Interestingly, use of higher Wp modules on trackers will be done for the first time in India.
- Won an order of 60 MWp from Sembcorp. Scope of work includes supply of BOS with Single Axis Tracker, Robotic Cleaning and free modules at site.
- Bagged an order for the O&M of 140 MWp floating solar project. This is SWREL's first large-scale floating solar O&M project and will add value to the company's operations credentials.

Business Review

During FY 2022-23, Total Revenue from Operations stood at ₹ 2,015.0 crore, compared with ₹ 5,198.9 crore in FY 2021-22, indicating a reduction of 61.2%. The EPC business contributed 90.5% to SWREL's overall revenue, while the remaining 9.5% was contributed by the O&M business. The Company continues to take efforts to minimise and optimise the overheads (fixed cost structure) and further improve its efficiencies. As on March 31, 2023, its unexecuted order book stood at ₹ 4,913 crore, while the total order inflow was ₹ 4,387 crore, compared to ₹ 719 crore in FY 2021-22. Customer concentration, in terms of contribution to total revenue, increased 44.34% in FY 2022-23, up from 38.49% in FY 2021-22.

The decrease in total revenue was primarily on account of certain cost provisions made, which impacted the percentage of completion and led to a revenue reversal in ongoing EPC projects, and lower contribution from the ongoing EPC projects. Gross margins remained suppressed primarily on account of international EPC projects.

Profitability was impacted as the industry witnessed high cost of solar modules, driven by increasing input cost primarily on account of silicon and supply chain issues such as shortage of shipping containers. Steel, which constitutes 5-10% of total cost of solar projects, witnessed an increase of 25% in cost during the period. Total expenses on construction material, stores and spare parts increased, and freight cost to India also increased, adversely impacting anticipated returns of solar power projects.

Particulars (₹ Crore)	FY 2022-23	FY 2021-22
Revenue from Operations	2,015.0	5,198.9
Other Income	110.9	94.7
Total Income	2,125.9	5,293.6
EBITDA	(1,023.5)	(859.3)
EBITDA Margin (%)	(50.8)	(16.5)
EBIT	(1,038.2)	(874)
EBIT Margin (%)	(51.5)	(16.8)
Net Profit	(1,174.9)	(915.8)
Net Profit Margin (%)	(58.3)	(17.6)
Cash generated from operating activities	(1,829.2)	(1,689.8)
Earnings Per Share (₹)	(61.7)	(54.2)

EPC Business

Revenue of SWREL's EPC business decreased to ₹ 1,823.5 crore in FY 2022-23 from ₹ 4,974.5 crore in FY 2021-22. Demand for solar energy worldwide will continue to be driven by stronger policy support from the government, favourable policies for renewable sectors, and ambitious climate targets announced for COP26.

O&M Business

O&M business constituted 9.5% of total revenue at ₹ 189.9 crore, compared to 4.3% at ₹ 222.9 crore in FY 2021-22. EBIT margin stood at 4.8% in FY 2022-23, as compared to 24.9% in FY 2021-22. O&M gross margins were impacted by projects where O&M costs were incurred, however, revenue recognition in these projects has not commenced yet owing to the delay in final handover.

Key Ratios

Particulars (₹ Crore)	FY 2022-23	FY 2021-22
Debtors Turnover Ratio	2.56	6.37
Interest Coverage Ratio	(7.16)	(11.39)
Current Ratio	1.10	1.29
Debt-Equity Ratio	(8.39)	0.48
EBITDA Margin	(50.08%)	(16.52%)
Net Profit Margin	(58.31%)	(17.61%)
Return on Net Worth	(339.74%)	(116.02%)

Key Strategies for Growth

- To offer added value to customers through early engagement
- To address the growing opportunities in large markets
- To aggressively pursue opportunities for Energy Storage and O&M business with existing customers
- To strategically tie-up with suppliers for mega projects
- To move to nearest sourcing avenues
- To focus further on digitalisation in project execution and O&M
- To further strengthen "SWREL" brand

Management Outlook

SWREL is on the course of delivering all its projects and creating an even stronger brand in the market. The RIL partnership, which underwrites its contracts, has added substantial financial strength to SWREL, which places it favourably to work on

projects. It hopes to be the front-runner for carrying out solar EPC work to support RIL's build-out.

The Company's Unexecuted Order Value stood at ₹ 4,913 crore as on March 31, 2023. The bid pipeline for FY 2023-24 remains robust at 22.9 GW, with 62.7% expected to be contributed by India. The Company is set to regain its position of the world's largest solar EPC player by expanding new businesses, targeting large EPC markets and growing the O&M portfolio.

The Company is assessing its investment priorities and making serious commitments towards the sustainable targets. It is also planning to scale new heights and achieve goals in the Indian market, besides also supporting the country towards its plan of reducing carbon emissions. With this, the country is seeking a much larger footprint in India, having also won significant project wins during the year.

As it expands its operations, SWREL plans to use its project management skills and strong stakeholder relationships to become a global leader in the energy market of the future and benefit from the growth of green hydrogen.

Efforts to support solar manufacturing in India has seen the government increasing funding for a production-linked incentive scheme, while a 40% basic customs duty on solar modules and 25% duty on cells was introduced during the year. The basic customs duty is a step in the right direction to help India's solar industry adopt a path of faster growth.

The Company is looking forward to increase its EPC offerings in the renewable space, which demonstrates huge opportunities and is seen as an enabler to deepen its relationships with customers in India and globally and provide a range of solutions to meet its overall renewable energy requirements. With the increased focus globally on low-carbon energy consumption and the resultant growing demand for green energy solutions, this is a logical extension of its business into the rapidly growing ESG space, and becoming a diversified renewables company.

Easing of PV module supply concerns, rise of alternate supply chains and a gigawatt-scale growing green hydrogen market will drive short-term and medium-term growth for PV developers and EPC players. Despite some developers shying away from closing contracts because of uncertainty surrounding module pricing and supply chain issues, the current module supply constraints are expected to be a temporary disruption as more capacity additions will come onstream globally. However, the market is expected to be more robust during FY 2023-24.

Risk Management

Corresponding to the nature of business, the Company has devised a comprehensive risk management framework. Both internal and external risk factors are closely monitored using clearly articulated internal processes. The Company's risk management framework encompasses well devised strategies for judicious mitigation or restriction of probable risk factors.

The Risk Management team thoroughly assesses and analyses the risks depending on the geographical footprint, market size, future opportunities and geopolitical risks. Commensurate action is taken to ensure business continuity.

Risk	Business Impact	Mitigation Action
Industry Risk	Being a part of the EPC industry, the Company's growth is directly dependent on performance of the global solar industry. Any fluctuation in demand of PV installation impacts the earnings of the entire EPC industry.	India's push to become a leader in the renewable energy space with an ambitious target of achieving 450 GW of renewable energy capacity by 2030, bodes well for the future growth of the Company. Government support on financial and other incentives over the years has helped India emerge as a global front runner in the clean energy ecosystem. The future looks promising for new solar installations. This coincides with the overall clean energy surge triggered by a combination of a decline in capital cost, technological advancements, competitive tariffs and political commitment toward climate change, making solar the preferred choice for incremental capacity globally.
Supplier Concentration Risk	The solar market dominance by limited Chinese suppliers poses significant risk for the entire industry in case key raw materials supply is delayed or unavailable. Project competition becomes a challenge due to increase in costs.	The Company has a strong connect with most global suppliers, strong vendor selection process, periodic supplier audits and good market monitoring throughout the entire supply chain. This helps minimise supplier risk. Recently, the global landscape for solar industry is changing with plans of some of India's leading corporates to invest huge sums in the solar industry and increasing Government support. The entire solar value chain will be captured in India, which will enable the company to leverage its strong domestic relationships to become a world leader in the solar EPC industry.
Geo-political Risk	The Company's earnings are at the risk of any untoward economic, regulatory, social and political developments that directly or indirectly influence the countries in which the country operates in.	An expert team monitors regulatory, environmental, safety, health, labour and other business-related regulations of a market the Company intends to expand into. Careful monitoring of market conditions enables the Company to strategise around any developments in its markets. Geographical concentration risk is minimal for the Company owing to its widespread global footprint.
Competitive Risk	The Company faces risk from an unprecedented rise in competition as the solar industry is witnessing a significant growth in the wake of growing global environmental consciousness and pledges to reduce carbon emissions.	The Company is amongst the few globally bankable EPC players with rich experience, strong brand equity, unique innovative and technologically advanced offerings, end-to-end solutions, competitive pricing and widespread global operations. These attributes enable the Company to maintain a competitive edge.
Operational Risk	The Company faces risk of inability to accurately estimate costs, failure to maintain contractual quality and performance requirements, and delays in project execution. Such operational risks pose significant threat to earnings.	Strong control over each stage of the project lifecycle from designing, procurement, supplier inspection, construction, field quality monitoring to final commissioning with robust internal processes, strong HR policies and risk assessment framework, enables the Company to operate with great efficiency.

Risk	Business Impact	Mitigation Action
Currency Risk	Presence in several countries, exposes the Company to currency translation and transaction risks. Inability to match revenues received in foreign currencies with costs paid in the same currency, exchange rate fluctuations may materially impact the Company's liquidity position.	The Company undertakes adequate hedging in the contract stage itself for major projects to cover itself against any currency risk. Derivative and non-derivative instruments use also enables the Company to minimise impact of fluctuations in foreign currency.
Module Price Hike Risk	Polysilicon is a key input for cell and module manufacturers. The Company's earnings may get severely impacted if polysilicon price increases leading to price of solar modules.	The Company's strong inventory management process and long-term contracts based on variable pricing enables it to minimise risk arising from price hike in module price or any other key raw materials.

Human Resources

The Company's philosophy of Human Resources is based on the conviction that the well-being of the company and its employees is inter-dependent. We believe our employees are the most valued asset of the Company, and we remain committed to them with the following key aspects:

- Hire the most competent and diverse talent
- Ensure that every employee is treated with dignity, equality, respect and fairness in a consistent manner
- Create a safe, stimulating, enabling and supportive atmosphere in which employees comfortably work
- Support and encourage them in realisation of their full potential
- Continuous improvement and developmental approach for self and organisational growth
- Create a performance-driven work culture

The success of our philosophy depends in large measure on the way our managers and their team members carry out their duties and obligations, with a strategy resulting an outcome on the below key aspects:

a. **Recruitment**

We believe in employing the best people and investing in them. Over a period of time, our recruitment process has shaped up well for hiring external candidates with a right fit for the role. Also, active participation in campus placements in leading engineering college graduates is assisting us well in creating future leaders. We take efforts in understanding the candidates from several perspectives. We look for technical, behavioural and leadership competence and value system. As recruiting demands rise, we have developed several tools to support our hiring and developmental activities. Entry-level candidates hired directly from engineering colleges undergo three screenings based on academic grades, followed by a technical test, group discussions and a personal interview.

b. **The 360-feedback initiative**

To develop our human resources, we understand that clear and continuous feedback needs to be provided. Our 360-degree feedback initiative is not a solution, but an answer to key organisational imperatives. The 360-degree feedback is mainly used as a development tool as it makes the entire process even more robust by adding

We believe in employing the best people and investing in them. Over a period of time, our recruitment process has shaped up well for hiring external candidates with a right fit for the role.

feedback from various internal and external stakeholders. Training was provided to managers to develop their skill / knowledge upgradation, cross-functional exposure and self-confidence. There was a culture of openness where employees were free to express their views. The top management consistently emphasised that a manager must take calculative risks. Managers are also encouraged to be self-critical, instead of having to project only their good sides.

c. **Leadership Development Programs**

Our philosophy is aimed at having employees with potential for leadership and developing their intrinsic leadership strengths. In some specific cases, it is necessary to bring in fresh talent from outside to create cross-pollination in the organisation. However, there is also a compelling need to develop leaders from within, who have had the advantage of growing up with the core values of the organisation. We are conducting leadership development programs regularly for developing leaders within the organisation and taking up bigger roles and responsibilities. This includes:

- Inspirational Leadership
- Empowered Leadership
- MDPs
- Catalyst
- Udaan
- Shikhar

We have adopted a non-discrimination policy and are an equal opportunity employer. The commitment, enthusiasm and dedication of our employees has helped SWREL work towards being a Great Place to Work globally. Fostering a culture of caring and trust is embedded in various corporate policies such as the Environment, Health & Safety (EHS) Policy, Whistle-Blower Policy, Ethics Helpline and Meri Aawaz Suno, among others.

Information Technology

A significant goal of SWREL's Information Technology journey in FY 2022-23 has been to pursue the theme of automating and digitising business processes in different spheres of the organisation. We implemented several new solutions and features in SAP-Hana system to provide more insights on performance of projects, overheads control and inventory control. Our cloud-based HRMS has been enhanced for better visibility of manpower.

An in-house developed expense management process customised for global operations has been rolled in all major geographies. The IoT-based real-time solar plant performance monitoring application has been enhanced further to capture plant generation and performance parameters and new features in monitoring of Operations & Maintenance.

We also developed a vendor collaboration platform that supports real-time information exchange across the entire procurement lifecycle, eliminating information leakage and delay in transfer of key document. We have implemented a state-of-the-art Security Operating Centre (SOC) to monitor key digital assets, users and network for detecting and eliminating any suspicious activity. With an aim to ensure accuracy in financial information recording, safeguarding assets from unauthorised use, optimum use of resources and compliance with statutes and laws, the Company ensures strict compliance to comprehensive procedures, systems, policies and processes. The Company achieved several key milestones during FY 2022-23 in the IT function. It completed the implementation of global harmonised SAP ERP system with integrated processes on latest high-performance HANA technology. Further, the IoT-based real-time solar plant performance monitoring application was enhanced to digitise maintenance workforce with mobile and multi-lingual capabilities. The IT team also delivered several digital solutions to make key process integrated and online.

With growing importance of technologies such as IoT, AI, and ML, the Company ensures adequate investment in digitisation. It re-assesses its security policy, processes, and tools to ensure complete and adaptable IT Security amidst cyber-crime risks. During the year, the Company implemented the state-of-the-art Security Operating Centre (SOC) to monitor key digital assets, users and network for detecting and eliminating any suspicious activity. It identified key initiatives to digitise engineering design, project management, supply chain and project scheduling and monitoring processes to improve performance and access to key information.

Several other digitisation initiatives such as proprietary computerised remote monitoring of solar plants and maintenance management using latest IoT technology and harnessing power of the cloud, implementing Success Factors HRMS, travel/expense management solutions like Concur, Health and Safety applications among many others, state-of-the-art software applications in forecasting and simulation of Solar Generation as well as Design Tools were also implemented during the year. Its comprehensive Business Continuity Planning policy ensures that its strong IT policy keep the employees fully productive. Its cloud-based infrastructure keeps the entire value chain updated on ongoing assignments and their current status.

Cautionary Statement

In the Management Discussion and Analysis, certain forward-looking statements describing the Company's objectives, projections, estimates and expectations, which are subject to several risks and uncertainties. These statements are made within the meaning of applicable laws and regulations and are based on informed judgements and estimates. Actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, ability to manage growth, changing competitive landscape in both domestic and international markets, ability to attract and retain highly skilled professionals, time and cost overruns on contracts, government policies and regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company.

More References:

https://www.saurenergy.com/solar-energy-news/solar-epc-after-strong-2022-industry-looks-ahead-to-continuity-in-2023

https://www.pv-magazine.com/2022/04/01/epc-giant-says-australian-large-scale-solar-faces-workforce-shortage/

Corporate Governance Report

In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a Report on Corporate Governance for the Financial Year ended March 31, 2023, is presented below:

Company's Philosophy on Corporate Governance

Corporate Governance refers to the system of rules, practices and processes adopted in every sphere of the Company's operations to provide long-term value to its stakeholders through ethical and transparent standards. It encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure. Good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

At Sterling and Wilson Renewable Energy Limited ("SWREL/ the Company"), we continue to focus on good Corporate Governance which is in line with the best practices in the areas of Corporate Governance and oversees how the management serves and protects the long-term interests of our stakeholders. Moral values, disclosures, responsibility, accountability, transparency, compliance, trust are the core elements of governance at SWREL.

The objective of your Company is not only to meet the statutory requirements but to go beyond it by instituting such systems and procedures as are in accordance with the latest trend of making the Management completely transparent and institutionally sound.

Your Company ensures adequate, timely and accurate disclosures on all material matters including the financial situation, performance and governance of your Company to the Stock Exchanges and the investors.

Board of Directors

The Board of Directors ("Board") is at the helm of Company's Corporate Governance. The Board is responsible for the strategic supervision and overseeing the Management performance and governance of the Company on behalf of all our stakeholders. The Board plays a pivotal role in overseeing how the Management serves and protects the short and long-term interests of Members and other stakeholders. The Board is responsible for and committed to upholding sound principles of Corporate Governance in your Company. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

A. Composition of the Board

The Board of your Company comprises of highly experienced persons of repute and has an appropriate mix of Non-Executive and Independent Directors, including 2 (Two) Women Independent Directors. The Independent Directors provide effective leadership, strategic guidance, objective and independent view to the Company's management and also bring a balanced perspective to the Board deliberations including issues of strategy, risk management and overall governance by assessing the matters objectively. The composition of the Board represents an optimal mix of varied skills, experience and expertise from diverse backgrounds which enables the Board to collectively discharge its responsibilities and provide effective leadership to the business.

The composition of the Board is in conformity with provisions of Regulation 17 of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ("the Act").

During the year under review, Ms. Naina Krishna Murthy was appointed as Non-Executive Independent Director of the Company for a term of 5 (Five) consecutive years commencing from April 07, 2022 to April 06, 2027. Further, Mr. Balanadu Narayan and Mr. Saurabh Agarwal were appointed as Non-Executive Non-Independent Directors of the Company with effect from April 07, 2022, liable to retirement by rotation.

In terms of the provisions of Sections 165 and 184 of the Act and Regulations 17A and 26 of the SEBI Listing Regulations, the Directors make necessary disclosures regarding the positions held by them on the Board and/ or Committees of other public and/ or private companies, from time to time. On basis of such disclosures, it is confirmed that none of the Directors of your Company:-

(a) hold directorship in more than 7 (Seven) listed Companies;

(b) is a member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees (considering only Audit Committee and Stakeholders Relationship Committee) across all the public companies (listed or unlisted) in which he/ she is a Director; and

(c) are related to each other.

The Board of your Company is of the opinion that the Independent Directors fulfil the condition(s) specified in the SEBI Listing Regulations.

As on March 31, 2023, your Company's Board comprises of 8 (Eight) Directors. The details of each member of the Board along with their shareholding in your Company, Directorship(s), Committee Membership(s)/ Chairmanship(s) held in other Companies as on March 31, 2023 is as follows:

Name of the Director	Category of Directorship	No. of Equity Shares held in Company	Number of other Directorships(1)	Name of other listed entities where Directorships held	Category of Directorship in other listed entities	No. of Board Committees(2) in which Chairperson/ Member	
						Chairperson	Member
Mr. Khurshed Daruvala DIN: 00216905	Promoter, Chairman and Non-Executive Director	79,43,662 (4.19%)	-	-	-	-	-
Mr. Balanadu Narayan DIN: 00007129	Non-Executive Director	-	-	-	-	-	-
Mr. Cherag Balsara DIN: 07030974	Non-Executive Independent Director	-	1	-	-	-	-
Mr. Keki Elavia DIN: 00003940	Non-Executive Independent Director	-	6	Britannia Industries Ltd. The Bombay Dyeing and Manufacturing Company Limited Dai-ichi Karkaria Limited Grindwell Norton Limited	Independent Director	4	7
Ms. Naina Krishna Murthy DIN: 01216114	Non-Executive Independent Director	-	2	Indostar Capital Finance Limited	Independent Director	-	3
Mr. Pallon Mistry DIN: 05229734	Member of Promoter Group and Non-Executive Director	7,20,000 (0.38%)	4	-	-	-	-
Ms. Rukhshana Mistry DIN: 08398795	Non-Executive Independent Director	-	1	-	-	-	1
Mr. Saurabh Agarwal DIN: 09206293	Non-Executive Director	-	7	-	-	-	-

Note(s):

(1) Excluding Directorships in private companies, foreign companies and companies which are formed under Section 25 of the Companies Act, 1956/ Section 8 of the Act.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Chairpersonship/ Membership of Committee only includes the Audit Committee and Stakeholders Relationship Committee in other Indian Public Companies (Listed and Unlisted).

Matrix highlighting core skills/ expertise/ competencies of the Board of Directors

The Board of the Company is structured by having the requisite level of qualifications, professional background, expertise and special skills. The Board after taking into consideration the Company's nature of business, core competencies and key characteristics has identified the following core skills/ expertise/ competencies as required in the context of its business(es) for it to function effectively:

Sr. No.	Skills/ Expertise/ Competence	Comments	Names of the Directors who have skill/ expertise/ competence
1	Industry knowledge and experience	Domain knowledge in business in which the Company participates. Must have the ability to leverage the developments in the areas of engineering and technology and other areas as suitable for the benefit of Company's business	Mr. Khurshed Daruvala Mr. Pallon Mistry
2	Expertise/ Experience in Finance & Accounts/ Audit	Ability to understand financial policies, accounting statements, disclosure practices and contribute to the financial policies/ practices of the Company	Mr. Khurshed Daruvala Mr. Keki Elavia Ms. Rukhshana Mistry Mr. Saurabh Agarwal
3	Expertise/ Experience in Risk Management areas	Knowledge of risk management policies/ practices of the Company and ability to provide necessary guidance to mitigate the risks across the geography of operations of the Company	Mr. Khurshed Daruvala Mr. Balanadu Narayan Mr. Keki Elavia Mr. Pallon Mistry Mr. Saurabh Agarwal
4	Planning and Strategic expertise	Guiding in planning and decision making to survive uncertain circumstances	Mr. Khurshed Daruvala Mr. Balanadu Narayan Mr. Pallon Mistry Mr. Saurabh Agarwal
5	Governance including legal compliance	Supports the Company's governance policies/ practices. Possesses an understanding of the relevant laws, rules, regulations and policies.	Mr. Cherag Balsara Mr. Keki Elavia Ms. Naina Krishna Murthy Ms. Rukhshana Mistry

B. Detail(s) of Directors

All Directors, except the Independent Directors of the Company, are liable to retire by rotation each year at the Annual General Meeting and, if eligible, offer themselves for re-election.

In compliance with Regulation 36(3) of the SEBI Listing Regulations, the details of the Director proposed to be appointed are given in the Notice convening the ensuing Annual General Meeting.

C. Details of Meetings of Board of Directors and Annual General Meeting held during the period under review, along with attendance of Directors

The Board meets at regular intervals, to discuss and decide on strategies and policies and at least once in a quarter to consider among other businesses, quarterly performance of the Company and financial results of the Company. The Board/ Committee Meetings are prescheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. Additional meetings are held, if deemed necessary, to conduct business. In case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law. The Board has accepted all the recommendations of the Committees of the Board during the Financial Year 2022-23.

Video-conferencing facilities are made available to facilitate Directors present at other locations, in case they wish to participate in the meetings virtually. The same is conducted in compliance with the applicable laws.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director in compliance with the applicable laws.

With a view to leverage innovation and technology and reducing paper consumption, your Company has adopted a web-based application for transmitting the Board and Committee agendas, draft minutes and other meeting related documents. The Directors of the Company receive the agenda along with the relevant notes in electronic form through this application, which can be accessed through browsers or iPads. The application meets high standards of security and integrity that is required for storage and transmission of Board/ Committee agendas in electronic form.

Information placed before the Board

To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information that is required to be made available to the Directors in terms of provisions of the SEBI Listing Regulations and the Act, so far as applicable to the Company, is made available to the Board.

Action(s) taken/ status reports on decisions of the previous meeting(s) are placed at the next meeting(s) of the Board for its information and further recommended actions, if any.

Number of Board Meetings:

During the Financial Year 2022-23, 6 (Six) Board Meetings were held on April 07, 2022, July 05, 2022, July 12, 2022, September 07, 2022, October 12, 2022 and January 19, 2023.

The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards-1 issued by the Institute of Company Secretaries of India. The necessary quorum was present for all the meetings.

Details of attendance of each Director at the Board meetings/ Annual General Meeting ("AGM") held during the Financial Year 2022-23 are as follows:

Name of the Director	Attendance at	
	Board Meeting	5th AGM
Mr. Khurshed Daruvala	6 out of 6	Yes
Mr. Balanadu Narayan[1]	5 out of 5	Yes
Mr. Cherag Balsara	5 out of 6	Yes
Mr. Keki Elavia	6 out of 6	Yes
Ms. Naina Krishna Murthy[2]	3 out of 5	No
Mr. Pallon Mistry	4 out of 6	Yes
Ms. Rukhshana Mistry	6 out of 6	Yes
Mr. Saurabh Agarwal[1]	5 out of 5	No

Notes:

(1) Mr. Balanadu Narayan and Mr. Saurabh Agarwal were appointed as Non-Executive Non-Independent Directors of the Company with effect from April 07, 2022.

(2) Ms. Naina Krishna Murthy was appointed as Non- Executive Independent Director of the Company for a term of 5 (Five) consecutive years commencing from April 07, 2022 to April 06, 2027.

D. Independent Directors

The Independent Directors bring an independent judgment to the Board and play an essential role in ensuring transparency in the working mechanism of the Company.

The Independent Directors on the Board of your Company are experienced, competent and highly respected individuals in their respective fields, which brings an ideal mixture of expertise, professionalism, knowledge, and experience to the table.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the Management. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Separate meeting of Independent Directors

In compliance with Regulation 25(3) of the SEBI Listing Regulations and Schedule IV to the Act, a separate meeting of the Independent Directors of the Company was held on March 27, 2023 without the presence of Non-Independent Directors and Members of the Management. The Independent Directors, *inter alia,*

1) Reviewed the performance of:
   (a) Board as a whole;
   (b) Non-Independent Directors; and
   (c) Chairman of the Company

2) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting was attended by Mr. Keki Elavia, Lead Independent Director and Ms. Rukhshana Mistry, Independent Director.

E. Board Induction, Training and Familiarisation

A letter of appointment setting out the terms of appointment, role, rights, duties and responsibilities is issued to the Independent Directors at the time of their appointment along with a set of documents such as snapshot of your Company, policies adopted by the Board, Company's major activities, corporate presentations etc., which enables him/ her to have an adequate and fair idea about your Company, its Board of Directors, the Management, various Codes of Conduct and Policies applicable to your Company, etc.

Your Company through its senior managerial personnel/ officials conducts programs/ presentations to familiarize the existing Directors as well as new Directors with the strategy, operations and functions of your Company. Such programs/ presentations provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and helps them to understand the Company's strategy, business model, operations, markets, organization structure, finance, human resources, technology, quality, and risk management and such other areas as may arise from time to time.

The Board has adopted a Policy on Familiarization Programme for the Independent Directors which aims to provide significant insight into the business of the Company. The details of the Familiarization Programme for Independent Directors are also available on the website of the Company i.e. https://www.sterlingandwilsonre.com/pdf/familiarization-programme-for-independent-directors.pdf.

Committees of the Board

The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the SEBI Listing Regulations. The Board Committees play a vital role in improving the Board's effectiveness in the areas where more focused and extensive discussions are required. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees operate as the Board's empowered agents according to their charter/ terms of reference.

The Board has constituted the below mentioned Committees:

a) Audit Committee

b) Corporate Social Responsibility Committee

c) Management Committee

d) Nomination and Remuneration Committee

e) Risk Management Committee

f) Stakeholders Relationship Committee

The Committees are represented by a combination of Non-Executive and Independent Directors except for Management Committee which consists of Key Managerial Personnels (KMPs) as members of the Committee in addition to Non-Executive Director.

The Committee(s) meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. Generally, Committee meetings are held prior to the Board meeting and the Board is updated about the deliberations, recommendations, and decisions taken by the Committee. The recommendations of the Committee(s) are submitted to the Board for its approval.

Minutes of proceedings of Committee meetings are circulated to the respective Committee members for their approval/ comments as per prescribed Secretarial Standards and after the Minutes are duly approved, the Minutes are tabled at the Board Meetings for noting.

A. Audit Committee

(i) Brief description:

Audit Committee of the Board of Directors is entrusted *inter alia* with the responsibility to monitor and provide effective supervision of the financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The composition, quorum, powers, role and scope of the Audit Committee are in accordance with Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

All the members of the Audit Committee are financially literate and possess expertise in the fields of accounting and financial management.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 3 (Three) Members out of which 2 (Two) are Independent Directors.

Name of Member	Category	Position held	No. of Meetings held during the Financial Year 2022-23	No. of Meetings attended during the Financial Year 2022-23
Ms. Rukhshana Mistry	Non-Executive Independent Director	Chairperson	8	8
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Member	8	8
Mr. Keki Elavia	Non-Executive Independent Director	Member	8	8

During the year under review, the Audit Committee met 8 (Eight) times i.e. on April 07, 2022, July 05, 2022, July 12, 2022, September 07, 2022, September 15, 2022, October 12, 2022, January 19, 2023 and March 27, 2023.

The Chief Financial Officer is invited to attend meetings of the Committee. The Committee also invites Representatives of the Statutory Auditors and Internal Auditors as and when their presence at the meeting of the Committee is considered appropriate.

Ms. Rukhshana Mistry, Chairperson of the Audit Committee was present at the 5th AGM of your Company held on September 30, 2022, to answer the queries of the Members of the Company.

Mr. Jagannadha Rao Ch. V., Company Secretary & Compliance Officer of the Company acts as the Secretary to the Audit Committee.

(iii) Terms of Reference:

The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

The scope, functions and terms of reference of the Audit Committee, *inter alia,* includes the following:

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information from any employee of the Company;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and

(e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statements and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by the Management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) Qualifications/ modified opinion(s) in the draft audit report.

(e) Reviewing, with the Management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Reviewing, with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Valuation of undertakings or assets of the Company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(t) Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(w) To appoint a person having such qualifications and experience as a registered valuer for valuation, if required to be made, in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a Company or its liabilities, in such manner, on such terms and conditions as may be prescribed;

(x) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;

(y) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(z) Establishing a vigil mechanism for Directors and employees to report their genuine concerns or grievances;

(aa) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(bb) Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;

(cc) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

(dd) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management of the Company;

(c) Management letters/ letters of internal control weaknesses issued by the statutory auditors of the Company;

(d) Internal audit reports relating to internal control weaknesses;

(e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

(f) Statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;

ii. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and

(g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

B. Nomination and Remuneration Committee:

(i) Brief description:

The Nomination and Remuneration Committee of the Board of Directors ("NRC") *inter alia* discharges the Board's responsibilities relating to approval and evaluation of the compensation plans, policies and programmes for Directors, "KMPs", senior management and other employees. It also specifies the methodology for effective evaluation of performance of the Board, its Committees and individual Directors. The Committee also plays the role of Compensation Committee and is responsible for administering the Employee Stock Option Plan as applicable to the employees of the Company.

The Composition of NRC is in accordance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 3 (Three) Members out of which 2 (Two) are Independent Directors.

Name of Member	Category	Position held	No. of Meetings held during the Financial Year 2022-23	No. of Meetings attended during the Financial Year 2022-23
Mr. Keki Elavia	Non-Executive Independent Director	Chairman	3	3
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Member	3	3
Ms. Rukhshana Mistry	Non-Executive Independent Director	Member	3	3

The NRC met 3 (Three) times during the Financial Year 2022-23 i.e. on April 07, 2022, June 30, 2022 and July 29, 2022.

Mr. Keki Elavia, Chairman of the Committee was present at the 5th AGM of your Company held on September 30, 2022, to answer the queries of the Members of the Company.

Mr. Jagannadha Rao Ch. V., Company Secretary & Compliance Officer of the Company acts as the Secretary to the NRC.

(iii) Terms of Reference:

The broad terms of reference of the NRC, as approved by the Board in terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, *inter alia,* includes the following:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, KMPs and other employees;

(i) For every appointment of an Independent Director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

(b) Formulation of criteria for evaluation of performance of Independent Directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become Directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and carrying out evaluation of every Director's performance (including Independent Director). The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(e) Analysing, monitoring and reviewing various human resource and compensation matters;

(f) Determining the Company's policy on specific remuneration packages for executive Directors including pension rights and any compensation payment, and determining remuneration packages of such Directors;

(g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(i) Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

(j) Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

(k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(l) Administering any employee stock option scheme/ plan, employee stock purchase scheme, stock appreciation rights scheme, general employee benefits scheme and retirement benefit scheme, approved by the Board and shareholders of the Company in accordance with the terms of such scheme/ plan ("ESOP Scheme");

(m) Delegating the administration and superintendence of the ESOP Schemes to any trust set up with respect to the ESOP Schemes;

(n) Formulating detailed terms and conditions for the ESOP Schemes including provisions specified by the Board of Directors of the Company in this regard;

(o) Determining the eligibility of employees to participate under the ESOP Scheme;

(p) Granting options to eligible employees and determining the date of grant;

(q) Determining the number of options to be granted to an employee;

(r) Determining the exercise price under the ESOP Scheme;

(s) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(t) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable.

(u) Performing such other activities as may be delegated by the Board of Directors and/ or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and

(v) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

(iv) Nomination and Remuneration Policy:

In terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Board of your Company had, on recommendation of NRC, adopted a Nomination and Remuneration Policy, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

The said policy is available on the website of the Company i.e. www.sterlingandwilsonre.com

Remuneration to Directors:

In terms of the provisions of the Act and in line with the Articles of Association of your Company, the Non-Executive Directors including Independent Directors are paid sitting fees on a uniform basis for attending various meetings of the Board and the Committees thereof.

Name of Director	Sitting Fees[1] paid (Amount in ₹ Lakh)
Mr. Khurshed Daruvala	13,95,000
Mr. Balanadu Narayan	5,00,000
Mr. Cherag Balsara	5,50,000
Mr. Keki Elavia	13,75,000
Ms. Naina Krishna Murthy	3,00,000
Mr. Pallon Mistry	4,70,000
Ms. Rukhshana Mistry	13,45,000
Mr. Saurabh Agarwal	5,00,000
Total	**64,35,000**

Note:

(1) Gross amount (before deducting TDS).

The Non-Executive Directors including Independent Directors are also eligible to receive remuneration by way of commission as the Board may decide from time to time. No Commission was paid during the Financial Year 2022-23.

The criteria for making payments to Non-Executive Directors is mentioned in the Nomination and Remuneration policy of the Company. The policy is available on the website at https://www.sterlingandwilsonre.com/pdf/nomination-and-remuneration-policy.pdf

The Non-Executive Directors and Independent Directors do not have any material pecuniary relationship or transactions with the Company.

Disclosures with respect to remuneration:

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

In terms of the provisions of the Act and in line with the Articles of Association of the Company, the Non-Executive Directors including Independent Directors are paid sitting fees on a uniform basis for attending various meetings of the Board and the Committees thereof. The details of sitting fees paid to the Directors during the Financial Year 2022-23 are mentioned above. The Company does not have any Executive Directors. No salary, benefits, bonuses, stock options, pension etc. is paid to any of the Directors.

(b) **Details of fixed component and performance linked incentives along with the performance criteria**

Other than sitting fees paid to the Directors, no fixed component or performance linked incentives have been paid to any of the Directors during the Financial Year 2022-23.

(c) **Service contracts, notice period, severance fees**

A separate service contract is not entered into by the Company with any of its Directors. No notice period or severance fee is payable to any Director.

(d) **Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable**

No Stock Options have been granted to any Directors.

(v) Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Policy of the Company has prescribed the following evaluation criteria for performance evaluation of Independent Directors of the Company:

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

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

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

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

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

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

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

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

(i) participate constructively and actively in the Committees of the Board in which they are Members;

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

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

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

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

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

(c) Stakeholders Relationship Committee:

(i) Brief description:

The Stakeholders Relationship Committee ("SRC") is *inter alia* entrusted with the responsibility of resolving the grievances of the security holders of the Company including complaints related to non-receipt of annual report, non-receipt of declared dividends, general meetings etc.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 3 (Three) Members out of which 1 (One) is an Independent Director.

Name of Member	Category	Position held	No. of Meetings held during the Financial Year 2022-23	No. of Meetings attended during the Financial Year 2022-23
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Chairman	2	2
Mr. Pallon Mistry	Non-Executive Director	Member	2	2
Ms. Rukhshana Mistry	Non-Executive Independent Director	Member	2	2

During the year under review, the Committee met 2 (Two) times, i.e. on July 12, 2022 and January 19, 2023.

Mr. Khurshed Daruvala, Chairman of the Committee was present at the 5th AGM held on September 30, 2022 to answer the queries of the Members of the Company.

(iii) Terms of Reference:

In terms of the applicable provisions of the Act and Regulation 20 read with Para B of Part D of Schedule II of the SEBI Listing Regulations, the scope, functions and terms of reference of the SRC, *inter alia*, includes the following:

(a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/ transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints;

(b) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(d) Giving effect to all transfer/ transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(e) Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company;

(f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services; and

(g) Carrying out such other functions as may be specified by the Board from time to time or specified/ provided under the Companies Act or SEBI Listing Regulations or other applicable law, or by any other regulatory authority.

(iv) Name and Designation of Compliance Officer

Mr. Jagannadha Rao Ch. V., Company Secretary is the Compliance Officer of the Company in terms of Regulation 6 of the SEBI Listing Regulations.

(v) Shareholders' complaints:

During the year under review, your Company received Nil complaints from the shareholders. The status thereof as on March 31, 2023, is tabled herein below:

Sr. No.	Particulars	No.
1	No. of complaints pending at the beginning of the Financial Year 2022-23	Nil
2	No. of complaints received during the Financial Year 2022-23	Nil
3	No. of complaints resolved to the satisfaction of shareholders during the Financial Year 2022-23	Nil
4	No. of complaints pending to be resolved at the end of the Financial Year 2022-23	Nil
Total		**Nil**

D. Corporate Social Responsibility Committee:

(i) Brief description:

The Board of your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee") in terms of the provisions of Section 135 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 135 of the Act and Rules made thereunder.

The CSR Committee is *inter alia* entrusted with the responsibility of monitoring and implementation of the CSR projects/ programmes/ activities of your Company and also for approving the annual CSR Budget, implementation of CSR projects and other related activities.

(ii) Composition, Meeting and Attendance:

The Committee comprises of 3 (Three) Members out of which 1 (One) is an Independent Director.

Name of Member	Category	Position held	No. of Meetings held during the Financial Year 2022-23	No. of Meetings attended during the Financial Year 2022-23
Mr. Keki Elavia	Non-Executive Independent Director	Chairman	2	2
Mr. Khurshed Daruvala	Chairman and Non-Executive Director	Member	2	2
Mr. Pallon Mistry	Non-Executive Director	Member	2	1

During the year under review, the CSR Committee met 2 (Two) times, i.e. on April 07, 2022 and October 12, 2022.

(iii) Terms of Reference:

The scope and functions of the CSR Committee are in accordance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and terms of reference of CSR Committee, *inter alia*, includes the following:

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

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

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

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

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

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

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

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

E. Risk Management Committee:

(i) Brief description:

Pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations, the Risk Management Committee ("RMC") of the Company was constituted on June 23, 2020 for *inter alia* evaluating and monitoring key risks including strategic, operational, financial, cyber security and compliance risks & framing, implementing, monitoring and reviewing Risk Management plan, policies, systems and framework of the Company.

(ii) Composition, Meetings and Attendance:

The Committee comprises of 5 (Five) Members out of which 3 (Three) are Independent Directors.

Name of Member	Category	Position held	No. of Meetings held during the Financial Year 2022-23	No. of Meetings attended during the Financial Year 2022-23
Mr. Khurshed Daruvala	Chairman and Non-executive Director	Chairman	2	2
Mr. Cherag Balsara	Non-Executive Independent Director	Member	2	2
Mr. Keki Elavia	Non-Executive Independent Director	Member	2	2
Mr. Pallon Mistry	Non-Executive Director	Member	2	1
Ms. Rukhshana Mistry	Non-Executive Independent Director	Member	2	2

During the year under review, the RMC met 2 (Two) times i.e. on June 17, 2022 and December 14, 2022. Mr. Pallon Mistry was granted leave of absence for the meeting held on June 17, 2022.

(iii) Terms of Reference:

In terms of the applicable provisions of the Act and Regulation 21 of the SEBI Listing Regulations, the scope, functions and terms of reference of the RMC, *inter alia,* includes the following:

(1) To formulate a detailed risk management policy which shall include:

a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b) Measures for risk mitigation including systems and processes for internal control of identified risks.

c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and

(7) The Risk Management Committee shall coordinate its activities with other Committees, instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

F. Management Committee:

(i) Brief description:

The Board of your Company has constituted a Management Committee for the day to day business activities of the Company which includes issuance of Power of Attorneys and resolution in relation to tenders, management of projects in India and abroad, opening/ closing and operation of Bank Account(s), availing financial assistance from bank(s) and/ or institution(s), opening of branch offices of the Company in various geographies, investment in subsidiaries of the Company and such other miscellaneous matters.

(ii) Composition, Meetings and Attendance:

The Composition of the Committee is as follows:

Name of Member	Category	Position held	No. of Meetings held during the Financial Year 2022-23	No. of Meetings attended during the Financial Year 2022-23
Mr. Khurshed Daruvala	Chairman and Non-executive Director	Chairman	12	12
Mr. Chandra Kishore Thakur	Manager	Member	12	12
Mr. Bahadur Dastoor	Chief Financial Officer	Member	12	12
Mr. Jagannadha Rao Ch. V.	Company Secretary	Member	12	12

(iii) Terms of Reference:

The terms of reference of Management Committee, *inter alia,* includes the following:

1. Issue power of attorney(ies) to authorize the representatives/ employees of the Company in relation to day-to-day operations of the Company, its branch office(s) and project/ site office(s) and matters related to customs, shipping, financial, banking, taxation including income tax, service tax, GST and excise and any other Central and/ or State laws as may be applicable to the Company;

2. Approve the opening/ closure of branch office(s) and project/ site office(s) of the Company in India or outside India in connection with the business of the Company and to do all such other acts in relation to the branch office(s) and project/ site office(s) of the Company;

3. Approve and pass necessary Resolutions relating to the following matters:

   a. To open, authorize to operate, modify the operating authorities, issue necessary instructions to banks and close various Bank Account(s) in the name of the Company as per the business requirements;

   b. To transact foreign exchange swaps, options, futures, forwards and any other derivatives, as permissible by the Board of Directors, that may from time to time be used as tools to hedge the Company's interest and foreign exchange exposures arising in the ordinary course of the business of the Company and to approve policies in this regard;

   c. Enter into one or more transactions/ agreements with Banks and/ or Exchange Houses in domestic and international market(s) relating to futures, forward, options, swaps etc., and combination(s) thereof, as per the requirements in the ordinary course of the business of the Company and in accordance with provisions of the Reserve Bank of India Act, 1945 and any other laws as may be applicable and guidelines, notifications, circulars, regulations or approval(s) etc. issued from time to time by any regulatory authority;

   d. To approve borrowing by way of long term or short term loans, inter corporate deposits or any kind of financial assistance and fund and/ or non-fund based working capital credit facility(ies) repayable on demand / temporary or otherwise, in any currency, from bank(s) and/ or institution (s) and/ or other lenders from time to time and to create charge/ security/ mortgage on the immovable/ movable properties of the Company to secure such loans/ inter corporate deposits/ financial assistance/ credit facility (ies) as may be required in terms of each of the sanctions by the said bank(s) and/ or financial institution(s) and/ or other lenders, subject to an overall limit of ₹ 15,000 Crore (Rupees Fifteen Thousand Crore only);

e. To authorize employee(s)/ representative(s) of the Company for executing various deeds, documents, papers, undertakings as may be required for the purpose of implementing the decision for investment in the shares of subsidiary(ies) (including stepdown subsidiary(ies)) and/ or Joint Venture(s) of the Company, granting loans to them, issuing guarantees or providing any security in respect of financial assistance availed by such subsidiary(ies) (including stepdown subsidiary(ies)) and/ or Joint Venture(s), within the overall limit of ₹ 5,000 Crore (Rupees Five Thousand Crore only), subject to recommendation of the Chief Financial Officer and such other compliances and approvals as may be necessary;

f. To issue power of attorney(ies) to authorise the employee(s)/ representative(s) of the Company for the purpose of bidding and execution of the project(s) including representing the Company, obtaining necessary approvals, initiation of legal/ arbitration proceedings, settlement of issues and also to sign memorandum of understanding(s), consortium agreement(s), joint venture agreement(s), settlement agreement(s) and such other document(s)/ agreement(s)/ deed(s) required to be signed on behalf of the Company and enter into liability against the Company and/ or do any other acts or deeds on behalf of the Company as may be required for the above said purpose; and

g. Approve issuance of corporate guarantees as may be required in the ordinary course of business of the Company.

4. Approve all other matters & issues of urgent nature arising in the ordinary course of the business of the Company.

General Body Meetings

A. Annual General Meetings:

Details of location, date, time and special resolutions passed in previous three Annual General Meetings of the Company, are tabled herein below:

Financial Year	AGM	Location	Date	Time	Particulars of Special Resolution(s) passed
2019-20	3rd	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 30, 2020	11:30 a.m.	Continuation of the term of Mr. Keki Elavia as an Independent Director of the Company
2020-21	4th	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 30, 2021	04:30 p.m.	Change in name of the Company from Sterling and Wilson Solar Limited to "Sterling and Wilson Renewable Energy Limited" and consequent amendment to Memorandum and Articles of Association of the Company
2021-22	5th	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 30, 2022	03:00 p.m.	1. To approve the waiver of recovery of excess remuneration paid to Mr. Chandra Kishore Thakur, Manager of the Company during the financial year 2021-22 2. Approval to grant interest bearing loan to Shapoorji Pallonji and Company Private Limited

B. Extra-Ordinary General Meeting:

During the year under review, no Extra-Ordinary General Meetings of the Company were held.

C. Postal Ballot

During the year under review, Postal Ballot Notice containing Resolutions together with the Explanatory Statement were sent by e-mail to all the shareholders on May 27, 2022 and the last date for members to exercise their right to vote on resolutions proposed therein through e-voting process was till 5.00 P.M. of Sunday June 26, 2022.

In compliance with Regulation 44 of SEBI Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the Company provided the remote e-voting facility only, to enable all its Members to cast their votes electronically instead of through physical Postal Ballot Forms. For the purpose of remote e-voting, the Company engaged the services of National Securities Depository Limited ("NSDL"). Members were required to vote through the remote e-voting platform provided by NSDL.

Members whose names appeared in the Register of Members/ List of Beneficial Owners as on the cut-off date, were considered eligible for the purpose of remote e-voting.

Mr. Mannish L. Ghia, Partner of M/s. Manish Ghia and Associates was appointed as the Scrutinizer for conducting the Postal Ballot exercises in a fair and transparent manner. After completion of scrutiny of the remote e-voting, the Scrutinizer submitted his report to the Chairman of the Company. On the basis of the report of the Scrutinizer on e-voting done by the Members, the following resolutions as set out in the Postal Ballot notice dated May 27, 2022 were duly passed by the Shareholders of the Company with requisite majority:

Particulars	No. of Votes Polled	No. and % of votes polled in favour	No. and % of votes polled against
Special Resolution: Appointment of Mr. Cherag Balsara (DIN: 07030974) as an Independent Director of the Company	15,82,13,861	15,79,09,389 (99.81%)	3,04,472 (0.19%)
Special Resolution: Appointment of Ms. Naina Krishna Murthy (DIN: 01216114) as an Independent Director of the Company	15,82,15,659	15,79,11,664 (99.81%)	3,03,995 (0.19%)
Ordinary Resolution: Appointment of Mr. Balanadu Narayan (DIN: 00007129) as a Non-Executive Director of the Company	15,82,13,234	15,79,08,772 (99.81%)	3,04,462 (0.19%)
Ordinary Resolution: Appointment of Mr. Saurabh Agarwal (DIN: 09206293) as a Non-Executive Director of the Company	15,82,15,469	15,79,10,867 (99.81%)	3,04,602 (0.19%)

Means of Communication

The Company follows a robust process of communicating with its stakeholders and investors. For this purpose, it provides multiple channels of communications through dissemination of information on the on-line portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.

The means of communication between the Company and the shareholders is transparent and investor friendly and the Company takes all possible endeavours to inform its stakeholders about every material information having bearing on the performance and operations of the Company and other price sensitive information.

Financial Results: The quarterly/ half yearly/ annual results alongwith the Limited Review/ Auditor's Report thereon, as applicable are filed with the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The said results are also published in prominent daily newspapers viz. The Financial Express and Navshakti. The results are also uploaded on the Company's website, i.e. www.sterlingandwilsonre.com.

Website: The Company's website i.e. www.sterlingandwilsonre.com contains a separate dedicated section 'INVESTOR RELATIONS' where shareholder information including official news releases are available. The schedule of analyst/ institutional investor meets and presentations made to them on a quarterly basis are informed to the Stock Exchanges and also displayed on the Company's website.

Corporate Filings: Information to Stock Exchanges is filed electronically on the online portals of BSE and NSE. The same are available on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com respectively and on the website of the Company at www.sterlingandwilsonre.com.

SEBI (SCORES): As stated in the SEBI circular dated March 26, 2018, whereby SEBI has issued new policy measures with respect to SEBI Complaints Redress System (SCORES), shareholders are requested to approach the Company directly at the first instance for their grievances.

A facility has been provided by SEBI for investors to place their complaints/ grievances on a centralised web-based complaints redress system viz. SCORES. The salient features of this system are centralised database of all complaints, on-line upload of Action Taken Reports (ATRs) by the concerned companies and on-line viewing by investors of actions taken on the complaints and their current status.

Designated Exclusive email ID: The Company has a designated email ID exclusively for investor services i.e. ir@sterlingwilson.com

General Shareholder Information

Your Company has provided the details required under this as a separate section on "General Shareholder Information", which forms a part of this Annual Report.

Other Disclosures

a. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

Except as mentioned below, there were no instances of non-compliance, penalties, strictures imposed on the Company by Stock Exchange(s) or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

For Financial Year	Action taken by	Details of violation	Details of action taken	Remarks
FY 2022-23	BSE and NSE	Non-maintenance of minimum public shareholding of at least 25% as required under Rule 19(2) and 19A of the Securities Contract (Regulations) Rules, 1957 read with Regulation 38 of the Listing Regulations	BSE and NSE vide Notice dated February 28, 2023 levied a penalty of ₹ 6,15,000 excluding applicable GST as detailed below: 1. BSE and NSE levied penalty of ₹ 2,10,000 each excluding applicable GST for the period August 20, 2022 to September 30, 2022. 2. BSE and NSE levied penalty of ₹ 4,05,000 each excluding applicable GST for the period October 01, 2022 to December 20, 2022.	Effective December 20, 2022 the Company is fully compliant with MPS requirements. Further, the Company has made the payment of ₹ 7,25,700 each (inclusive of GST) to BSE and NSE on March 06, 2023. The Company is of the view that it has complied with the relevant provisions to achieve MPS within the permitted time. However, the penalty was paid under protest.

b. Policy on Related Party Transactions

In terms of the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has framed a Policy on Related Party Transactions ("RPTs") to govern the approval process and disclosure requirements to ensure transparency in the conduct of RPTs in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

The policy is also available on the website of the Company, at https://www.sterlingandwilsonre.com/pdf/policy-on-related-party-transactions.pdf

c. **Details of materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large**

All the RPTs entered into by your Company, during the Financial Year 2022-23, were at arm's length and in the ordinary course of business of the Company. There were no material significant transactions made by the Company with its Promoters, Directors or Management, and their relatives etc. that may have potential conflict with the interest of the Company at large.

d. **Vigil Mechanism/ Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee**

Your Company has in place a robust Vigil Mechanism for reporting of concerns through the Whistle Blower Policy of the Company, which is in compliance with the provisions of Section 177 of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the SEBI Listing Regulations and other SEBI Regulations. This Policy aims to provide an avenue for employee(s), Director(s) and stakeholder(s) to raise their concerns that could have grave impact on the operations, performance, value and the reputation of the Company and it also empowers the Audit Committee of the Board of Directors to investigate the concerns raised by them.

The Policy provides an avenue to every employee and every person as defined therein to report their concerns directly to the Compliance Officer or the Chairperson of the Audit Committee. Alternatively, a Whistleblower can also approach his/ her reporting manager or Head of Department, who will forward the Protected Disclosure to the Chairperson of the Audit Committee or the Compliance Officer.

During the year under review, none of the personnel have been denied access to the Audit Committee.

The policy is available on the website of the Company, at https://www.sterlingandwilsonre.com/pdf/whistle-blower-policy.pdf

e. **Policy for determining Material Subsidiary Companies**

In terms of Regulation 16(1)(c) of SEBI Listing Regulations, the Company has 2 (Two) unlisted material subsidiaries as on March 31, 2023 viz. Sterling and Wilson International Solar FZCO and Sterling and Wilson Solar Solutions LLC.

The Company has formulated a Policy for determining Material Subsidiaries, which is disclosed on the Company's website and can be accessed at https://www.sterlingandwilsonre.com/pdf/reg/policy-on-material-subsidiaries.pdf

f. **Commodity Price Risk and Commodity hedging activities**

Your Company does not engage in Commodity hedging activities.

g. **Details of compliance with mandatory requirements and adoption of non-mandatory requirements**

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

In addition to the same, your Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of the SEBI Listing Regulations, to the extent applicable:

- The Company has separate persons to the post of Chairman and Manager. The Company does not have a Managing Director or CEO.
- The Chairman, being a Non-Executive Director, is entitled to maintain a Chairperson's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.
- The Internal Auditor reports directly to the Audit Committee in all matters relating to Internal Audit.

h. **Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement**

On December 30, 2021, your Company has issued 2,93,33,333 (Two Crore Ninety Three Lakh Thirty Three Thousand Three Hundred and Thirty Three only) equity shares of face value of ₹ 1/- each fully paid up, for cash, at a price of ₹ 375/- each for an aggregate amount of ₹ 1,099,99,99,875/- (Rupees One Thousand Ninety Nine Crore Ninety Nine Lakh Ninety Nine Thousand Eight Hundred and Seventy Five Only) on preferential basis to Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited).

The details of utilization of funds through Preferential Allotment is as follows:

Amount raised (as on December 30, 2021)	₹ 1,100 Crore
Funds Utilized	₹ 1,100 Crore
Balance Funds as on March 31, 2023	Nil

i. **A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority**

The Company has obtained a certificate from Manish Ghia & Associates, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed separately at the end of this Report.

j. **Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor is a part**

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants ("K&M") have been appointed as Statutory Auditors of the Company for a period of 5(Five) consecutive years from the conclusion of 4th AGM till the conclusion of 9th AGM on such terms and conditions as may be fixed by the Board in mutual consultation with the Statutory Auditor.

M/s. Deloitte Haskins and Sells LLP, Chartered Accountants ("Deloitte") have been appointed as Statutory Auditors of the Company for a period of 5(Five) consecutive years from the conclusion of 5th AGM till the conclusion of 10th AGM on such terms and conditions as may be fixed by the Board in mutual consultation with the Statutory Auditor.

Total fees of ₹ 135 Lakhs has been paid by the Company on a consolidated basis to K&M and Deloitte, Statutory Auditors and all the entities in the network firm/ network entity of which the Statutory Auditors are a part, for all the services provided by them for Financial Year 2022-23.

k. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in any office through various interventions and practices. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Committee (IC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. IC has its presence at corporate office as well as at site locations.

The details of complaints related to Sexual Harassment are provided below:-

Sr. No	Particulars	No. of Complaints
1	Number of complaints filed during the F.Y. 2022-23	Nil
2	Number of complaints disposed of during the F.Y. 2022-23	Nil
3	Number of complaints pending as on end of the F.Y. 2022-23	Nil

l. **Disclosures of Loans and advances in the nature of loans to firms/ companies in which Directors are interested**

Loan given by	Loan given to	Amount (₹ in Crore)
Sterling and Wilson International Solar FZCO	Sterling and Wilson Middle East Solar Energy L.L.C.	58.14
Sterling and Wilson International Solar FZCO	Sterling and Wilson Singapore Pte Limited	0.15
Sterling and Wilson International Solar FZCO	Sterling and Wilson Solar Spain S.L.	9.36
Sterling and Wilson International Solar FZCO	Sterling and Wilson Solar Solutions Inc.	894.63
Sterling and Wilson International Solar FZCO	GCO Solar Pty. Ltd.	130.51

Loan given by	Loan given to	Amount (₹ in Crore)
Sterling and Wilson International Solar FZCO	Sterling and Wilson International LLP (Kazakhstan)	0.01
Sterling and Wilson International Solar FZCO	Sterling and Wilson Solar Australia Pty. Ltd.	513.49
Sterling and Wilson Renewable Energy Limited	Esterlina Solar Engineers Private Limited	0.12
Sterling and Wilson Solar LLC	Sterling and Wilson International Solar FZCO	69.47
Esterlina Solar Engineers Private Limited	Sterling and Wilson Renewable Energy Limited	0.15
Sterling and Wilson Middle East Solar Energy LLC	Sterling and Wilson International Solar FZCO	24.88
		1,700.91

m. Details of material subsidiaries of the Company during F.Y. 2022-23

Name of the material subsidiary	Date of incorporation	Place of incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
Sterling and Wilson International Solar FZCO	07-12-2017	Dubai, UAE	Moore Stephens, UAE	10-06-2022
Sterling and Wilson Solar Solutions Inc.	19-12-2017	Delaware	Bajwa CPA & Associates LLC	11-02-2019
Sterling and Wilson Solar Australia Pty Limited	16-04-2019	South Perth, Australia	Moore Stephens, Australia	22-10-2019

CEO/ CFO CERTIFICATION

As required under the provisions of Regulation 33 of the SEBI Listing Regulations, Mr. Chandra Kishore Thakur, Manager and Mr. Bahadur Dastoor, Chief Financial Officer of the Company have reviewed the Audited Financial Statements and Cash Flow Statement for the Financial Year ended March 31, 2023 and accordingly have provided a certificate, which is enclosed separately at the end of this Report.

Your Company does not have a CEO and hence the certificate is provided by the Manager of the Company.

REPORT ON CORPORATE GOVERNANCE

As required under Regulation 27 of the SEBI Listing Regulations, your Company has been duly submitting the quarterly compliance report in the prescribed format and within the required timelines to the Stock Exchanges and the same are available on their websites. The said reports are also available on the website of the Company, i.e. www.sterlingandwilsonre.com.

The Compliance Certificate received from M/s. Manish Ghia & Associates regarding compliance of Corporate Governance requirements is enclosed as an annexure to the Directors' Report.

Further, your Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and sub paras (2) to (10) of Part C of Schedule V of SEBI Listing Regulations and the same has been disclosed in this Report.

MANAGER-CFO CERTIFICATION

To the Board of Directors
Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)

(1) We have reviewed the Audited Financial Statements and the Cash Flow Statement of Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited) ("Company") for the Financial Year ended on March 31, 2023 and to the best of our knowledge and belief:

I. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

II. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on March 31, 2023 which are fraudulent, illegal or violative of the Code of Conduct of the Company.

(3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.

(4) We have indicated to the Auditors and the Audit Committee:

I. significant changes in the Company's internal control over financial reporting, during the Financial Year ended on March 31, 2023;

II. significant changes in accounting policies, if any, during the Financial Year ended on March 31, 2023 have been disclosed in the notes to the Financial Statements; and

III. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : April 20, 2023

Chandra Kishore Thakur
Manager

Bahadur Dastoor
Chief Financial Officer

DECLARATION

As provided under the provisions of Schedule II and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed the Compliance with the Code of Conduct for the Financial Year ended March 31, 2023.

Place : Mumbai
Date : April 20, 2023

Khurshed Daruvala
Chairman

Certificate on Corporate Governance

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

To
The Members
Sterling and Wilson Renewable Energy Limited
(Formerly known as Sterling and Wilson Solar Limited)
9th Floor, Universal Majestic
P. L. Lokhande Marg, Chembur (W)
Mumbai – 400 043

We have examined the compliance of conditions of Corporate Governance by **Sterling and Wilson Renewable Energy Limited**, (formerly known as Sterling and Wilson Solar Limited) for the year ended on March 31, 2023 as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

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

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

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

Place: Mumbai
Date: April 20, 2023
UDIN: F006252E000148416

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Sterling and Wilson Renewable Energy Limited
9th Floor, Universal Majestic,
P L Lokhande Marg,
Chembur – West,
Mumbai-400043

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sterling and Wilson Renewable Energy Limited** (formerly known as Sterling and Wilson Solar Limited) having CIN: L74999MH2017PLC292281 and having registered office at 9th Floor, Universal Majestic, P L Lokhande Marg, Chembur – West, Mumbai-400043 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1	Mr. Khurshed Yazdi Daruvala	00216905	25/04/2018
2	Mr. Pallon Mistry	05229734	02/08/2018
3	Mr. Keki Manchersha Elavia	00003940	27/03/2019
4	Ms. Rukhshana Jina Mistry	08398795	27/03/2019
5	Mr. Cherag Sarosh Balsara	07030974	29/03/2022
6	Mr. Balanadu Narayan	00007129	07/04/2022
7	Ms. Naina Krishna Murthy	01216114	07/04/2022
8	Mr. Saurabh Agarwal	09206293	07/04/2022

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

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

Place: Mumbai
Date: April 20, 2023
UDIN: F006252E000148537

General Information about the Company

The General Shareholder Information of your Company is provided as under:

(i) Sixth Annual General Meeting:

Day and date : Thursday, July 13, 2023

Time : 2:00 p.m.

Venue : Audio-Visual Means

(ii) Financial Year:

Your Company follows April-March as the Financial Year.

Calendar of the Financial Year ended on March 31, 2023:

The meetings of Board of Directors for approval of quarterly/ half-yearly/ annual financial results for the Financial Year ended on March 31, 2023, were held on the following dates:

Sr. No.	Particulars	Date of Meetings
1.	Results for the quarter ended June 30, 2022	July 12, 2022
2.	Results for the quarter and six months ended September 30, 2022	October 12, 2022
3.	Results for the quarter and nine months ended December 31, 2022	January 19, 2023
4.	Results for the quarter and year ended March 31, 2023	April 20, 2023

Tentative Financial Calendar:

The tentative months for the quarterly meetings of the Board of Directors for consideration of quarterly/ half-yearly/ annual financial results for the Financial Year ending March 31, 2024, are as under:

Sr. No.	Particulars	Tentative Months
1.	Results for the quarter ending June 30, 2023	July 2023
2.	Results for the quarter and six months ending September 30, 2023	October 2023
3.	Results for the quarter and nine months ending December 31, 2023	January 2024
4.	Results for the quarter and year ending March 31, 2024	April 2024

Further, the tentative months for the Seventh Annual General Meeting of the Company for the Financial Year ending March 31, 2024 shall be July/ August, 2024.

(iii) Dividend Payment Date:

There was no dividend paid or declared during the year under review.

(iv) Stock Exchanges where Securities of the Company are listed:

Your Company's Equity Shares are listed on the following Stock Exchanges and the necessary annual listing fees have been duly paid to both the Stock Exchanges.

Name and address of the Stock Exchange	Stock/Scrip Code
BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	542760
National Stock Exchange of India Limited ("NSE") Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	SWSOLAR

(v) Stock Market Price Data:

The stock market price data of the Company's share traded on BSE and NSE during the Financial Year 2022-23 is as under:

Month - Year	BSE		NSE	
	High	Low	High	Low
Apr-22	400.00	319.05	400.45	319.00
May-22	386.70	306.00	387.55	305.75
Jun-22	343.80	278.35	344.00	278.05
Jul-22	315.50	273.35	315.80	273.15
Aug-22	309.80	275.05	309.80	275.00
Sep-22	362.10	286.50	362.05	286.60
Oct-22	317.10	287.00	317.35	286.95
Nov-22	298.85	274.00	299.00	273.50
Dec-22	307.40	255.25	307.85	256.25
Jan-23	295.00	262.00	294.00	260.20
Feb-23	309.75	276.20	309.90	276.00
Mar-23	338.45	289.40	338.40	289.50

Source: BSE and NSE websites.

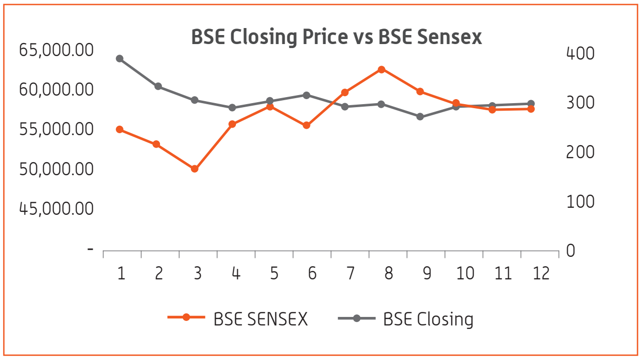
(vi) Stock Performance:

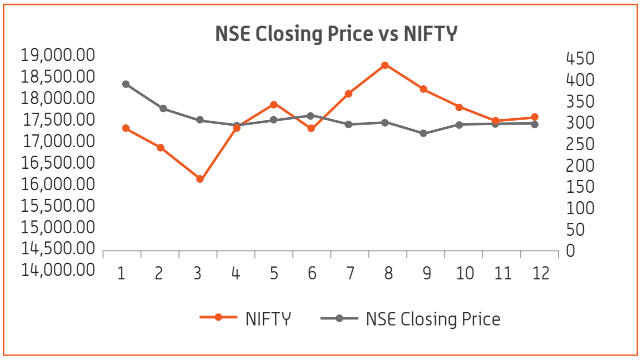
Performance in comparison to broad-based indices viz. NSE Nifty and BSE SENSEX during the Financial Year 2022-23 were as under:

Month - Year	BSE	BSE SENSEX	NSE	NSE Nifty
	Closing Price (Amount in ₹)	(Amount in ₹)	Closing Price (Amount in ₹)	(Amount in ₹)
April 30, 2022	380.75	57,060.87	381.55	17,102.55
May 31, 2022	328.50	55,566.41	328.50	16,584.55
June 30, 2022	296.75	53,018.94	296.60	15,780.25
July 31, 2022	285.35	57,570.25	285.40	17,158.25
August 31, 2022	297.75	59,537.07	297.50	17,759.30
September 30, 2022	310.05	57,426.92	309.70	17,094.35
October 31, 2022	288.25	60,746.59	288.15	18,012.20
November 30, 2022	292.70	63,099.65	292.75	18,758.35
December 31, 2022	267.55	60,840.74	267.25	18,105.30
January 31, 2023	286.50	59,549.90	286.25	17,662.15
February 28, 2023	290.85	58,962.12	292.10	17,303.95
March 31, 2023	292.15	58,991.52	291.60	17,359.75

Source: BSE and NSE websites.

Performance of Company's Equity Share price in comparison to BSE Sensex and NSE Nifty:





(vii) Distribution of Shareholding as on March 31, 2023:

Sr. No.	Range of No. of Shares Held	No. of shareholders	% of shareholders (falling under this range)	Total Shares Held (by Shareholders falling under this range)	% of shares held
1	1 to 500	149,764	95.72	9,945,078	5.24
2	501 to 1000	3,622	2.31	2,869,588	1.51
3	1001 to 2000	1,574	1.01	2,370,079	1.25
4	2001 to 3000	500	0.32	1,282,198	0.68
5	3001 to 4000	249	0.16	880,147	0.46
6	4001 to 5000	172	0.11	817,653	0.43
7	5001 to 10000	299	0.19	2,211,370	1.17
8	10001 and above	288	0.18	169,317,220	89.26
	Total	**156,468**	**100.00**	**189,693,333**	**100.00**

Category-wise Shareholding Pattern of the Company as on March 31, 2023:

Category	No. of Shares	No. of Shareholders	% of Shareholding
Promoter and Promoter Group	137,957,687	9	72.73
Clearing Members	60,909	45	0.03
Other Bodies Corporate	2,974,827	466	1.57
Hindu Undivided Family	1101,897	2,654	0.58
Mutual Funds	10,367,389	14	5.47
Non Resident Indians	675,334	1,196	0.25
Non Resident (Non Repatriable)	477,970	646	14.60
Public	27,678,870	151,330	14.7
Body Corporate - Ltd Liability Partnership	407,142	54	0.21
Foreign Portfolio Investors (Corporate)	7,827,846	47	4.12
Foreign Portfolio Investors (Individual)	350	1	0.00
NBFCs registered with RBI	10,000	1	0.00
Alternate Invst Funds - III	153,112	4	0.08
TOTAL	**189,693,333**	**156,466**	**100.00**

(viii) Dematerialisation of Shares and Liquidity

As on March 31, 2023, the entire Equity Share Capital of the Company is held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited under International Securities Identification Number ("ISIN") - INE00M201021.

(ix) Reconciliation of Share Capital Audit:

In terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, Manish Ghia & Associates, Practising Company Secretaries, carry out a quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and the capital held by the depositories in dematerialised form and the details of changes in the Share Capital during each quarter.

Further, an audit report issued in that regard is submitted to the Stock Exchanges and the same is also placed before the Board of Directors at their meetings.

(x) Outstanding Global Depository Receipts ("GDRs")/ American Depository Receipts ("ADRs")/ Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments pending for conversion as on March 31, 2023.

(xi) Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities:

Your Company does not engage in Commodity hedging activities.

(xii) Share Transfer System:

As on March 31, 2023, the entire Equity Share Capital of the Company is held in dematerialised form. Transfers in electronic form are simple and quick as the Shareholders have to approach their respective Depository Participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

(xiii) Disclosures w.r.t. Demat Suspense Account/ Unclaimed Suspense Account

As on the date of this report there are no shares lying in the Demat Suspense Account/ Unclaimed Suspense Account.

(xiv) Company's Recommendations to the Shareholders:

a. **Submit Nomination Form**

Shareholders shall register their nominations with their DP to ensure that their shares are transmitted to their respective nominees without any hassles.

b. **Furnish/ update bank account details**

Shareholders should ensure that correct and updated particulars of their bank account are available with their DP. This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid events such as postal delays and loss in transit.

c. **Intimate/ update contact details including e-mail IDs**

In order to receive communications on corporate actions and other information of the Company, the Shareholders should intimate their contact details (including email address) and changes therein, if any, to the Company/ RTA or to their DP.

d. **Service of documents through electronic means**

Pursuant to Section 101 and Section 136 of the Act, companies can serve Annual Reports and other communications through electronic mode to those Shareholders who have registered their e-mail address either with the Company or with the DPs. Accordingly, Shareholders who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically. The request can be sent to the RTA or to the Company at ir@sterlingwilson.com.

xv) List of all credit ratings obtained by the Company along with any revisions thereto during Financial Year 2022-23, for all debt instruments of the Company

Sr. No.	Instrument type	Size of Issue (₹ in million)	Rating Agency	Rating	Revisions, if any	Remarks
1	Fund-based limits	3,120	India Ratings & Research (Ind-Ra)	IND A+/Stable/IND A1+	Upgraded; Off RWP	-
2	Non-fund-based limits	71,320		IND A+/Stable/IND A1+	Upgraded; Off RWP	-
3	Proposed non-fund-based limits	24,410		IND A+/Stable/IND A1+	Upgraded; Off RWP	-
4	Commercial Paper Programme	2,000	Acuite Ratings & Research	ACUITE A1	Downgraded	
5	Commercial Paper Programme	1,000		ACUITE A1	Assigned	-

(xvi) Plants of the Company with their locations:

The Company does not have any plant.

(xvii) Investor Service and Grievance Handling Mechanism:

A robust mechanism is established by your Company which ensures pro-active handling of investor correspondences and efficient redressal of grievances in an expeditious manner. This mechanism is handled by the Compliance Officer of your Company and the RTA.

Details of complaints received during the Financial Year 2022-23 along with their status as on March 31, 2023, have been disclosed separately in the Corporate Governance Report forming part of this Annual Report.

(xviii) Contact Address for Investors:

The Company's dedicated e-mail address for Members' Complaints and other communications is ir@sterlingwilson.com. Since all the Equity Shares of the Company are held in dematerialised mode, Shareholders are requested to address all correspondences with respect to transfer to their respective Depository Participants and any other correspondences relating to the shares of the Company to the below mentioned address of the Company's Registrar and Share Transfer Agent.

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.
(Unit: Sterling and Wilson Renewable Energy Limited)
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083.
Phone: +91 22 49186000
E-mail: rnt.helpdesk@linkintime.co.in

Registered Office

Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
9th Floor, Universal Majestic, P. L. Lokhande Marg,
Chembur (W), Mumbai - 400043, Maharashtra.
Phone: +91 86529 05000
E-mail: ir@sterlingwilson.com
Website: www.sterlingandwilsonre.com

Business Responsibility and Sustainability Report

SECTION A – GENERAL DISCLOSURES

I. Company Details

1	Corporate Identity Number	:	L74999MH2017PLC292281
2	Name of the Listed Entity	:	Sterling and Wilson Renewable Energy Limited ("SWREL") (formerly known as Sterling and Wilson Solar Limited)
3	Year of Incorporation	:	2017
4	Registered Office Address	:	Universal Majestic, 9th Floor, P. L. Lokhande Marg, Chembur (W), Mumbai – 400 043
5	Corporate Address	:	Same as above
6	Email Id	:	ir@sterlingwilson.com
7	Telephone	:	022 25485330
8	Website	:	www.sterlingandwilsonre.com
9	Financial Year for which reporting is being done	:	April 01, 2022 – March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	:	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital (in ₹)	:	₹ 18.97 Crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Mr. Jagannadha Rao Ch. V. 022-25485300 ir@sterlingwilson.com
13	Reporting boundary	:	The disclosures under this report are made on standalone basis

II. Products/ Services

14. Details of business activities (accounting for 90% of the turnover)

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Engineering, procurement, and construction ("EPC") solutions provider, operations and maintenance ("O&M") services	EPC solutions and O&M services provider	100%

15. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover)

Sr. No.	Product/ Service	NIC code	% of total Turnover contributed
1	Construction and maintenance of power plants	42201	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated

	Number of Plants	Number of Offices	Total
National	-	3	3
International	-	17	17

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states and UT)	17
International (No. of countries)	29

b. What is the contribution of exports as a percentage of the total turnover of the entity? 57.58%

c. A brief on types of Customers:

Since our journey started in renewables, we have been working with large set of independent power producers ("IPPs") who have diversified into renewables from their core businesses which ranges from oil and gas, steel sector, metals and thermal power. We also cater to PSUs in India and have been a key EPC provider for India's largest PSU "NTPC" in its mission of building large renewable based capacities in India.

In addition to above, we are also a preferred EPC partner for large Private Equity firms across the globe and have build large utility scale projects for them in both India and international markets.

IV. Employees

18. Details as at end of the Financial Year

a. Employee & Worker Details (including differently abled)

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent	806	744	92.31%	62	7.69%
Other than Permanent	0	0	0.00%	0	0.00%
Total	**806**	**744**	**92.31%**	**62**	**7.69%**
Workers					
Permanent	29	28	96.55%	01	3.45%
Other than Permanent	1,100	1,092	99.27%	08	0.73%
Total	**1,129**	**1,120**	**99.20%**	**09**	**0.80%**

b. Differently abled Employees and workers – Not Applicable

19. Participation/ Inclusion/ Representation of Women

Particulars	Total (A)	No. of Females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Managerial Personnel	3	-	-

20. Turnover rate for permanent employees and workers

Particulars	Current Financial Year (FY22-23)			Previous Financial Year (FY21-22)			Financial Year prior to previous Financial Year (FY20-21)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	25.00%	1.00%	26.00%	29.00%	1.00%	30.00%	21.00%	1.00%	22.00%
Permanent workers	3.00%	0.00%	3.00%	2.00%	0.00%	2.00%	2.00%	0.00%	2.00%
Total	**28.00%**	**1.00%**	**29.00%**	**31.00%**	**1.00%**	**32.00%**	**23.00%**	**0.00%**	**24.00%**

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. Names of Holding/ Subsidiary/ Associate Companies/ Joint Ventures

Sr. No.	Name of the Company	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the listed entity	Does the subsidiary participate in the Business Responsibility initiatives of the Parent Company?
1	Esterlina Solar Engineers Private Limited	Subsidiary	100	No, the Subsidiaries operate in different geographies and conduct their own initiatives as applicable on them.
2	Sterling and Wilson International Solar FZCO	Subsidiary	100	
3	Sterling and Wilson (Thailand) Limited	Subsidiary	100	
4	Sterling and Wilson Saudi Arabia Limited	Subsidiary	95	
5	Sterling and Wilson Solar LLC	Subsidiary	70	
6	Sterling and Wilson Middle East Solar Energy LLC	Subsidiary	100	
7	Sterling and Wilson Singapore Pte Ltd	Subsidiary	100	
8	Sterling and Wilson Engineering (Pty) Ltd	Subsidiary	60	
9	Sterling and Wilson Solar Solutions LLC	Subsidiary	100	
10	Sterling and Wilson Solar Spain, S.L.	Subsidiary	99	
11	Sterling and Wilson Solar Solutions Inc	Subsidiary	100	
12	GCO Solar Pty. Limited	Subsidiary	100	
13	Sterling and Wilson Solar Australia Pty Ltd.	Subsidiary	100	
14	Sterling and Wilson Renewable Energy Spain S.L.	Subsidiary	100	
15	Sterling and Wilson Renewable Energy Nigeria Limited	Subsidiary	100	
16	Esterlina Solar – Proyecto Uno, S.L.	Subsidiary	99	
17	Esterlina Solar-Proyecto Dos, S.L.	Subsidiary	99	
18	Esterlina Solar – Proyecto Tres, S.L.	Subsidiary	99	
19	Esterlina Solar – Proyecto Cuatro, S.L.	Subsidiary	99	
20	Esterlina Solar – Proyecto Cinco, S.L.	Subsidiary	99	
21	Esterlina Solar – Proyecto Seis, S.L.	Subsidiary	99	
22	Esterlina Solar – Proyecto Siete, S.L.	Subsidiary	99	
23	Esterlina Solar – Proyecto Ocho, S.L.	Subsidiary	99	
24	Esterlina Solar – Proyecto Nueve, S.L.	Subsidiary	99	

Note: During the Financial Year 2022-23, Sterling and Wilson Solar Malaysia SDN. BHD, a step down Subsidiary of the Company has been struck-off from the Companies Commission of Malaysia on January 20, 2023 consequent to the Striking-Off application filed by the Subsidiary.

VI. Corporate Social Responsibility (CSR) details

22. Whether CSR is applicable as per section 135 of the Companies Act, 2013: For the Financial Year 2022-23 - Yes

Turnover (₹) as on 31.03.2023: ₹ 1457.91 Crore

Net-worth (₹) as on 31.03.2023: ₹ 1168.98 Crore

VII. Transparency and Disclosure Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

		Current Financial Year (FY22-23)			Previous Financial Year (FY21-22)		
Stakeholder group from whom the complaint is received	**Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web link for grievance redress policy)**	**Number of complaints filed during the year**	**Number of complaints pending resolution at close of the year**	**Remarks**	**Number of complaints filed during the year**	**Number of complaints pending resolution at close of the year**	**Remarks**
Communities	Yes https://www.sterlingandwilsonre.com/investor-relations/corporate-governance	0	0	-	0	0	-
Investors (other than shareholders)		0	0	-	0	0	-
Shareholders		0	0	-	0	0	-
Value Chain Partner		0	0	-	0	0	-
Employees and workers		0	0	-	0	0	-
Customers		0	0	-	0	0	-

Note: Some of the policies guiding SWREL's conduct with all its stakeholders, including grievance mechanisms are placed on the Company's website. In addition, the internal policies are also placed on the intranet.

24. Overview of the entity's material responsible business conduct issues:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/ O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1	Climate change	Risk	Climate change risks including adverse weather events are increasingly manifesting in our business. Such risks could impact operations, and profitability if not managed adequately	Board's Risk Management Committee has adopted a Comprehensive Risk Policy wherein Risks are identified periodically, and a systematic approach to controlling them is defined. Accordingly, appropriate mitigation plans are in place including developing resilient physical infrastructure to address extreme weather conditions, etc	Negative
2	Data Privacy and Security	Risk	Safeguarding the security of the data is important for its business operations	Safeguarding the security of the data and the entire value chain through cyber risk assessment, audits and implementation of business continuity plan for IT platforms	Negative
3	Employee Health, Safety and well-being	Risk	Our employees are a key asset and their safety and well being is of paramount importance. This is achieved by assessing and controlling health and safety risks across our operations	Comprehensive Health, safety & environment policy & procedure has been instituted by SWREL. Training, increasing awareness and perioidic review is done at senior level and Board	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/ O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
4	Corporate Governance	Opportunity	Governance structure is a critical component of any organization which strive for excellence. A responsive and inclusive Governance structure helps the organization to be resilient and adapt to unforeseen situations. SWREL's Governance Principles and the charters of the Board's standing Committees establish a framework for the governance of the Board and oversight of the Company. Each committee plays a crucial role in reinforcing our commitment to conduct our business with the highest corporate standards	-	Positive
5	Community Development and Social engagement	Opportunity	SWREL has undertaken various solar projects in rural and sparsely populated areas. We actively engage with the local community to help accelerate Advancement of Rural Areas, Health and Sanitation, Skill development, etc	-	Positive
6	Brand Management - Recognized industry leader in Solar EPC	Opportunity	Being recognized as a global leader in Solar EPC, succesful execution across our global operations will result in higher client confidence	-	Positive

SECTION B – MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Sr. No.		Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web Link of the Policies, if available	All the policies except HR policies can be viewed at https://www.sterlingandwilsonre.com/investor-relations/corporate-governance. HR policies are restricted to employees of the Company and uploaded on Company's Intranet.								
2		Whether the entity has translated the policy into procedures. (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3		Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes. Our goal is to create an efficient and sustainable supply chain that meets the development needs of our Company, the interests of all our stakeholders and protects the environment. We believe in trust and long partnerships with our vendors and suppliers. We have a process of onboarding for all the vendors through pre-qualification, which ensures vendor credentials and capability to execute assignments, adherence to health, safety, environmental and social requirements.								
4		Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	• ISO 45001: 2018 Occupational health and safety management system • ISO 14001: 2015 Environment Management system • ISO 9001: 2015 Quality Management system • International Finance Corporation (IFC) Performance Standards • Equator Principles • EBRD Principles								
5		Specific commitments, goals and targets set by the entity with defined timelines, if any	The Board of Directors of the Company provides direction to the management and exercises oversight on the implementation of targets committed under ESG, including: • Reduction of green house gas emissions by 25% by 2025, achieved 8% in 2023 • No plastic campaign in the offices across the country • Zero harm vision to life, environment and property • Increase the no. of lives impacted by CSR projects undertaken by the Company by 25% each year • Zero Lost Time Injury incident achieved in 2023								
6		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight											
7		Statement by Director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements	ESG will be the corner stone of SWREL's long term strategy with a commitment to create value for our people, our communities and our planet. Adherence to ESG principles helps build resilience, transform culture and long-term value creation to systematically identify opportunities, manage risks, and secure the interest of all our stakeholders. For us, ESG is more than ticking the boxes, it's about making a difference. We are making concerted efforts towards building a brighter future that transcends beyond the mainstream approach of profitability to sustainability, inclusivity, and prosperity. We have taken thoughtful measures to earn and retain the trust of our stakeholders, and build a greener tomorrow. We believe in leading by example and delivering solutions in the form of sustainable and trustworthy services thus building a stronger brand.								

STATUTORY REPORTS

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	The Board of Directors of the Company oversee the implementation of the Business Responsibility policies.								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? If yes, provide details	Mr. Khurshed Daruvala Designation: Chairman Telephone: 022-25485300 Email: swsolarbrr@sterlingwilson.com								

10. Details of Review of NGRBCs by the Company

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action										
a	**Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee**	Yes								
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	Need basis								
b	**Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances**	Yes								
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	Quarterly/ Need Basis								
11.	**Has the Company carried out independent assessment/ evaluation of the working of this policy by an internal or external agency?**	On a regular basis, the Board of Directors and Management reviews the adherence to the stated policies in the Company.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)	N.A.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)									
It is planned to be done in the next financial year (Yes/ No)									
Any other reason									

SECTION C – PRINCIPLE-WISE PERFORMANCE DISCLOSURE

Principle 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. **Percentage coverage by training and awareness programmes on any or all the Principles in the Financial Year**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2	Code of Conduct & POSH	100
Key Managerial Personnel	4	360 Degree Feedback Program, Code of Conduct, POSH & Whistle Blower Policy	100
Employees other than BoD and KMPs	35	Basic Awareness Program, Technical/ Functional Program, On the job Training, Soft Skill, Behavior Skill etc.	51
Workers	2	Basic safety awareness & on the job Training	100

2. **Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the Financial Year**

   During the Financial Year 2022-23, there were no instances of any material (monetary and nonmonetary) fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors/ KMPs) levied by the regulators/ law enforcement agencies/ judicial institutions.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed**

   Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy**

   Yes, the entity has an anti-corruption Policy. The policy is available on the Company's website at https://www.sterlingandwilsonre.com/pdf/Code-of-Business-Ethics-Policy.pdf. The Company is committed to conduct all its business activities with honesty, integrity and the highest possible ethical standards and vigorously enforces its ethical business practices wherever it operates throughout the world, of discouraging and not engaging in any kind of bribery, corruption, or unethical practice.

5. **Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption**

   There were no instances of any disciplinary action taken by any law enforcement agency for the charges of bribery/ corruption against Directors/ KMPs/employees/workers.

6. **Details of complaints with regards to conflict of interest**

Particulars	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of Interest of the Directors	Nil	--	Nil	--
Number of the complaints received in relation to issues of conflict of interest of the KMPs	Nil	--	Nil	--

7. **Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest**

Not Applicable

Principle 2 - Businesses should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively**

Particulars	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	N.A.
Capex	Nil	Nil	N.A.

2. **Does the entity have procedures in place for sustainable sourcing?**

The Company has a procedure for sustainable sourcing where all the new and existing supply chain partners are mandatorily evaluated on environment, health & safety and sustainability parameters before onboarding. Also, supplier/ vendor Code of Conduct (COC) covers EHS and Human Rights parameters to be adhered and value chain partners must sign the COC as a part of the contract documents.

If yes, what percentage of inputs were sourced sustainably? 100%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (b) E-waste (c) Hazardous waste (d) Other waste**

The Company does not have any specific product to reclaim at the end of life. However, at the project and operation sites, there are systems in place to recycle, reuse and dispose in line with regulatory requirement for the above waste being generated during course of construction and operation.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR is not applicable as the Company does not manufacture any consumer products.

Principle 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1. A. **Details of measures for the well-being of employees**

Category	Total	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		% of employees covered by									
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent											
Male	744	744	100	744	100	N.A.	N.A.	44	5.91	0	0.00
Female	62	62	100	62	100	7	11.29	N.A.	N.A.	0	0.00
Total	**806**	**806**	**100**	**806**	**100**	**7**	**11.29**	**44**	**5.46**	**0**	0.00
Other than Permanent											
Male	Nil										
Female											
Total											

B. **Details of measures for the well-being of workers**

Category	Total	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		% of workers covered by									
		No.	%	No.	%	No.	%	No.	%	No.	%
Permanent											
Male	28	28	100	28	100	N.A.	N.A.	3	10.71	0	0.00
Female	1	1	100	1	100	0	0.00	N.A.	N.A.	0	0.00
Total	**29**	**29**	**100**	**29**	**100**	**0**	**0.00**	**3**	**10.34**	**0**	**0.00**
Other than Permanent											
Male	1092	1092	100	1092	100	N.A.	N.A.	0	0.00	0	0.00
Female	08	08	100	08	100	0	0.00	N.A.	N.A.	0	0.00
Total	**1100**	**1100**	**100**	**1100**	**100**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**

2. **Details of retirement benefits, for Current Financial Year and Previous Financial Year**

Benefits	Current Financial Year (FY22-23)			Previous Financial Year (FY21-22)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	1%	59%	Y	3%	35%	Y

STATUTORY REPORTS

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, most of our workplaces are accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. If so, provide a web-link to the policy

https://www.sterlingandwilsonre.com/pdf/Code-of-Business-Ethics-Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, please name the mechanism in brief.

Permanent workers	Yes "Meri Awaaz Suno" a platform for workers to raise queries, clarity related to policies, HR matters, grievances etc.
Other than Permanent workers	Yes They can raise queries to respective HOD including Business & Corporate HR
Permanent employees	Yes "Meri Awaaz Suno" a platform for employees to raise queries, clarity related to policies, HR matters, grievances etc.
Other than Permanent employees	Yes They can raise queries to respective HOD including Business & Corporate HR

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity

Category	Current Financial Year (FY22-23)			Previous Financial Year (FY21-22)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union No. (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (C/D)
Permanent employees						
Male	744	0	N.A	719	0	N.A
Female	62	0	N.A	57	0	N.A
Total	**806**	**0**	**N.A**	**776**	**0**	**N.A**
Permanent workers						
Male	28	0	N.A	20	0	N.A
Female	1	0	N.A	0	0	N.A
Total	**29**	**0**	**N.A**	**20**	**0**	**N.A**

8. **Details of training to employees and workers (% to total no. of employees/ workers in the category)**

Category	Current Financial Year (FY22-23)					Previous Financial Year (FY21-22)				
	Total	On Health and safety measures		On Skill upgradation		Total	On Health and safety measures		On Skill upgradation	
		No.	%	No.	%		No.	%	No.	%
Employees										
Male	744	269	36.16	368	49.46	719	175	24.34	186	25.87
Female	62	0	0.00	13	20.97	57	1	1.75	7	12.28
Total	**806**	**269**	**33.37**	**381**	**47.27**	**776**	**176**	**22.68**	**193**	**24.87**
Workers										
Male	28	28	100	10	35.71	20	0	0.00	1	5.00
Female	1	0	0.00	0	0	0	0	0.00	0	0.00
Total	**29**	**28**	**100**	**10**	**34.48**	**20**	**0**	**0.00**	**1**	**5.00**

9. **Details of performance and career development reviews of employees and worker**

Category	Current Financial Year (FY22-23)			Previous Financial Year (FY21-22)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	744	536	72.04	719	612	85.12
Female	62	52	83.87	57	51	89.47
Total	**806**	**588**	**72.95**	**776**	**663**	**85.44**
Workers						
Male	28	20	71.43	20	20	100.00
Female	1	0	0.00	0	0	0.00
Total	**29**	**20**	**68.97**	**20**	**20**	**100.00**

10. **Health and safety management system**

1	Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage of such system.	Yes, occupational health and safety management system has been implemented by the entity. It covers the entire operations covering all construction project sites, O&M operations and offices. In line with SWREL HSE Policy, management systems have been implemented in accordance with the International Standards ISO 45001:2018 (Occupational Health and Safety Management System Standard). HSE Management System defines the mandatory requirements for the systematic management and execution within the organization. The Company's Integrated HSE Management System is accredited by international certification bodies
2	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company has in place systematic risk management process to identify and control all the hazards in all routine and non-routine activities at construction project sites, O&M operations and offices. We are utilizing online tools based on ProcessMap software platform for real time monitoring and approval of risk assessment process. All relevant stakeholders including construction engineers, design and planning engineers, EHS team members and workers are involved in risk assessments and the risk management process. All records are kept available online in ProcessMap platform for easy accessibility & transparency to the related stakeholders.

3	Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?	Reporting of workplace hazards are most important to enhance the Health & Safety performance. We are encouraging all our project execution and other personnel including our contractor's workforce to identify and report hazards as much as possible. The real time hazard reporting is happening through online tool in ProcessMap software. The Hazard observation, reporting and the corrective measure is being monitored closely even by top Management and Management action is being planned accordingly as required.
4	Do the employees/ worker of the entity have access to non-occupational medical and health care services?	Yes, employees/ workers are covered under Mediclaim/ ESIC policy for non-occupational medical services.

11. Details of safety related incidents

Safety Incident/ Number	Category	FY22-23	FY21-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0.18
Total recordable work-related injuries	Employees	0	0
	Workers	0	2
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the Company to ensure a safe and healthy workplace

We have a robust Integrated HSE management system in place at global level. Our business is certified under ISO 45001: 2018 standard that ensures our safety management system is good enough to address the Health and Safety issues of our workplace. Moreover as a part of the EHS management system, a project specific EHS plan is prepared at the inception of every new project that determines the broad parameters of EHS management. This EHS plan identifies the hazardous operations and the risks arising from such hazards which are within the scope of the work. It even specifies the required integrated preventive measures (Controls) to mitigate the same.

The advance HSE management software on ProcessMAP platform giving us the advantages to monitor the safety issues real time. On that basis the Management takes decision for action and resource required for safety management at site. Moreover uniformity in safety management across project sites is ensured.

The detailed Contractors' HSE management protocol, Risk assessment process, Permit to work system , Audit & inspection protocol and workers training at site strengthen our commitment towards safe work execution.

Periodic review of HSE indices with the top Management provide the direction for further improvements in the overall performance.

13. Number of Complaints on the following made by employees and workers

There were no complaints received from employees and workers during the current and previous Financial Years on working conditions and Health & Safety

14. Assessments of the year

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	20%
Working Conditions	20%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on Significant risks/ concerns arising from assessments of health & safety practices and working and on significant risks/ concerns arising from assessments of health & safety practices and working conditions

All Accidents, potential near miss cases are investigated thoroughly by team of experts and the outcomes are discussed in the management review for guidance and future direction. Through our HSE observation programme, everyone at site and other locations are encouraged to report the hazards in the online portal. To make the HSE observation and reporting process easy and user friendly, one can send an observation from his mobile click. The corresponding corrective action shall be registered against the person responsible to resolve it in a time bound manner.

To build a culture of care and zero harm, across the organization, all the HSE related data is being scrutinized and analyzed in a transparent manner by the HSE software and the results provide us the prediction and direction for area of improvement.

The corrective action monitoring, the lesson learnt generation and the monthly HSE rating of the sites are few of the outcomes which are aiding us to prevent future HSE occurrence.

No significant risks / concerns of health & safety practices and working conditions has been identified from the assessments hence no corrective action is required. However, the Company has undertaken the following measures proactively.

Detail Risk assessment are carried out for each activity at all sites. The significant risks are identified for a particular project in order to decide the required control measures for that activity. As different project sites has different HSE challenges depending on their location , climatic condition, neighboring community , site approach, local skill set etc, the HSE risk we are facing are dynamic in nature.

Every project identifies their significant risk in their risk register and actions are planned to keep those risk as ALARP label.

The risk assessment is reviewed periodically to verify the effectiveness of the risk control measures initially planned.

Working conditions of the workforce at sites are very important to us as majority of our work sites are situated in remote location. We have a standardized approach on working conditions and welfare facilities for all our worksite based on the guideline provided by IFC performance standard. The same gets audited periodically to verify its condition and maintenance requirements. These all are a mandatory part of our HSE management system.

Principle 4 - Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity

Any individual or group of individuals or institution that adds value to the organization and has the ability to impact or get impacted by the business activities are defined as Stakeholders for the organization. This *inter alia* includes clients, employees, shareholders, suppliers, local communities, other industrial bodies and regulatory authorities amongst others.

The Company engages with a broad spectrum of stakeholders, to deepen its insights into their needs and expectations, and to develop sustainable strategies for the short, medium and long term. Through regular interactions with our stakeholders across various channels, we have been able to strengthen our relationships and enhance our organisational strategy.

2. List stakeholder groups identified as key for your Company and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Clients	No	One-to-one interactions and meetings for projects, Websites and emails	Continuous	• Service quality and safety • Feedback
Employees	No	Induction programs, E-mails, newsletters Employee portal, Engagement Initiatives, Rewards & Recognition programs, Leadership development meetings/ programmes	Continuous	• Performance appraisal and rewards • Learning and development programmes • Compliance with safety norms • Code of Conduct & Human Rights • Career Management and Growth Prospects
Suppliers	No	Supplier meets, Emails	Continuous	• Responsible Sourcing • On time performance • Ethical behavior/ Fair business practices
Shareholders	No	Website, newspapers, press releases, emails, quarterly conference call, analyst & investor meeting, general meeting, social media	Continuous: Investors page on the Company's website, social media (LinkedIn, YouTube) Quarterly: Financial statements earnings call, press conferences, investor calls Annual: Annual General Meeting, Annual Report	• Financial and non-financial performance • Long-term business value • Ethical Behavior and Fair Business Practices • Understanding shareholders expectations
Community	Yes	Community meetings through NGO implementation partners	As per requirement	• Progress on CSR projects • Need Assessments
Industry bodies, Regulators	No	Website, and emails	As per requirement	Discussions with regard to various regulations and inspections, approvals

Principle 5 - Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format for current and previous FY**

Category	Current Financial Year (FY22-23)			Previous Financial Year (FY21-22)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (A)	No. of employees/ workers covered (B)	% (B/A)
Employees:						
Permanent	806	806	100.00	776	776	100.00
Other than permanent	0	0	0.00	0	0	0.00
Total	**806**	**806**	**100.00**	**776**	**776**	**100.00**
Workers:						
Permanent	29	29	100.00	20	20	100.00
Other than permanent	1100	590	53.64	1210	610	50.41
Total	**1129**	**619**	**54.83**	**1230**	**630**	**51.22**

2. **Details of employees and workers in terms of minimum wages paid**

Category	Current Financial Year (FY22-23)					Previous Financial Year (FY21-22)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees:										
Permanent	806	-	-	806	100	776	-	-	776	100
Male	744	-	-	744	100	719	-	-	719	100
Female	62	-	-	62	100	57	-	-	57	100
Other than permanent										
Male	Nil									
Female										
Workers:										
Permanent	29	-	-	29	100	20	-	-	20	100
Male	28	-	-	28	100	20	-	-	20	100
Female	1	-	-	1	100	0	-	-	0	0
Other than permanent	1100	-	-	1100	100	1210	-	-	1210	100
Male	1092	-	-	1092	100	1200	-	-	1200	100
Female	08	-	-	08	100	10	-	-	10	100

3. Details of remuneration/ salary/ wages (including differently abled)

Category	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category	No.	Median remuneration/ salary/ wages of respective category
Board of Directors	06		02	
Key Managerial Personnel	03	16,33,500	-	-
Employees other than BoD and KMP	741	67,380	62	61,000
Workers	28	35,000	1	26,000

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. The Human Resource Department is responsible for addressing any human right issues caused or contributed by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

Grievance Redressal mechanisms are in place for receiving and addressing complaints and feedback related to human rights violations and other aspects of the Code of Conduct. Reporting avenues have been provided for employees, customers, suppliers and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of the Company's Code of Conduct including human rights violation. Representations made in the reporting avenues are reviewed and appropriate action is taken on substantiated violations.

6. Number of Complaints made by employees and workers

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	--	Nil	Nil	--
Discrimination at workplace	Nil	Nil	--	Nil	Nil	--
Child Labour	Nil	Nil	--	Nil	Nil	--
Forced Labour/ Involuntary Labour	Nil	Nil	--	Nil	Nil	--
Wages	Nil	Nil	--	Nil	Nil	--
Other human rights related issues	Nil	Nil	--	Nil	Nil	--

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company does not tolerate any harassment, intimidation, or retaliation of any kind towards the complainant reporting in good faith or against any other person acting as bonafide witness/ whistle blower. Anyone involved in targeting such persons will be subject to disciplinary action. Concerns on discrimination and harassment are dealt confidentially.

The POSH policy has the mechanism for addressing complaints pertaining to sexual harassment. All complaints related to sexual harassment are taken up by the Internal Complaint Committees (ICCs), which are governed under strict confidentiality and there are defined procedures to protect complainant from any retaliatory actions.

The Whistle Blower policy mentions a clause on confidentiality of complainant/ protection against victimization. It states that the disclosures of wrongful conduct are submitted on a confidential basis.

8. Do human rights requirements form part of your business agreements and contracts? Yes

9. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labor	Nil
Forced/ Involuntary labor	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil

10. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 9 above – Not Applicable

Principle 6 - Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules) and energy intensity, in the following format

Parameter	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)
Total electricity consumption (A)	62,789,715	--
Total fuel consumption (B)- Diesel in Ltrs.	162,997	216,775
Total fuel consumption (C)- Petrol in Ltrs.	2,181	2,634
Energy consumption through other sources [D]	00	00
Total energy consumption (A+B+C+D)	**62,954,893**	**219,409**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00	0.00

2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Not Applicable

3. Provide details of the following disclosures related to water withdrawal by source (in kiloliters)

Parameter	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)
(i) Surface water	--	--
(ii) Groundwater	26,022	17,001
(iii) Third party water	1488825	1653286
(iv) Seawater/ desalinated water	--	--
(v) Others (Municipality Supply)	3	312
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	**1,514,850**	**1,670,599**
Total volume of water consumption (in kilolitres)	**1,514,850**	**1,670,599**
Water intensity per rupee of turnover (Water consumed/ turnover)	0.00	0.00

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

As we are not generating any waste water by our process, we can consider our operations as zero water discharge plant. The domestic effluent we are generating is also negligible, what is generally coming out from the toilet and washing facilities provided to the workforce at sites. Despite of that we are maximizing the use of dry portable urinals wherever possible to reduce it further.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Renewable Energy projects are exempted from obtaining environment clearance from Ministry of Environment, Forest & Climate Change and State Pollution Control Board(s) vide Environmental Impact Assessment notification 2006 and have been categorized under White category of Industry vide Central Pollution Control Board circular 2016. However, SWREL conducts monitoring of ambient air quality during the construction phase on voluntary basis. The air emissions are under the permissible limits

Parameter	225MW		40MW		150MW		190MW	
	Current Financial year (FY 22-23)	Previous Financial year (FY 21-22)	Current Financial year (FY 22-23)	Previous Financial year (FY 21-22)	Current Financial year (FY 22-23)	Previous Financial year (FY 21-22)	Current Financial year (FY 22-23)	Previous Financial year (FY 21-22)
Nox	15.6	15.1	13.6	NA	20.01	NA	13.84	NA
Sox	12.7	12.2	6.5	NA	16.66	NA	9.17	NA
Particulate Matter (PM 10)	66.8	65.1	90.8	NA	54.87	NA	69.48	NA
Persistent organic pollutants (POP)	NA	NA	NA	NA	NA	NA	NA	NA
Volatile Organic compounds (VOC)	NA	NA	NA	NA	NA	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA	NA	NA	NA	NA	NA
Others (Particulate Matter (PM 2.5)	24.2	23.5	48.7	NA	31.25	NA	36.21	NA

Parameter	47.5MW		220MW		1255 MW	
	Current Financial year (FY 22-23)	previous Financial year (FY 21-22)	Current Financial year (FY 22-23)	previous Financial year (FY 21-22)	Current Financial year (FY 22-23)	previous Financial year (FY 21-22)
Nox	16.6	NA	18.56	NA	18.02	NA
Sox	11.4	NA	9.44	NA	9.96	NA
Particulate Matter (PM 10)	62.2	NA	83.46	NA	82.71	NA
Persistent organic pollutants (POP)	NA	NA	NA	NA	NA	NA
Volatile Organic compounds (VOC)	NA	NA	NA	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA	NA	NA	NA
Others (Particulate Matter (PM 2.5)	21.1	NA	37.29	NA	36.53	NA

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in (Metric tonnes of CO2 equivalent) –

Parameter	Unit	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	Metric tonnes of CO_2 equivalent	5,749.33	6,468.00
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	Metric tonnes of CO_2 equivalent	1,344.44	1,512.50
Total Scope 1+ Scope 2 Emissions		**7,093.78**	**7,980.50**
Total Scope 1 and Scope 2 emissions per rupee of turnover		**0.00**	**0.00**

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

SWREL's main business and scope of work is on Renewable Energy as EPC and also O&M Contractor of Solar Plants. During these projects' construction phases, our main objective to reduce the GHG emissions by using all new technologies such as replacement of DG sets by Solar panels, batter bank for storage energy as a source of power during the EPC Phase .

8. A. Provide details related to waste management by the entity, Total Waste generated (in metric tonnes)

Parameter	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)
Total Waste generated (in metric tonnes)		
Plastic waste	-	-
E-waste	-	-
Bio-medical waste	0.2	0.46
Construction and demolition waste	20.68	73.99
Battery waste	0	0
Radioactive waste	0	0
Other Hazardous waste	2.27	16.89
Other Non-hazardous waste generated	853.22	911.35
Total	**876.37**	**1002.69**

B. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)
(i) Recycled	-	-
(ii) Re-used	853.22	911.35
(iii) Other recovery operations	-	-
Total	**853.22**	**911.35**

C. For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Parameter	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)
(i) Incineration	--	--
(ii) Landfilling	--	--
(iii) Other disposal operations	--	--
Total	--	--

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

We are ISO 14001: 2015 certified organization. As a part of our HSE management system waste management plan gets developed at all our project sites prior to commencement of our execution activities. The approved vendor/ waste recycler is being engaged for recycling and treatment of our wastes.

The 'Waste Stream Mapping' protocol provide the site a complete guideline for the waste handling and management from the waste generation point to temporary storing location & tagging to the disposal methodology and instruction of waste transportation, for each activity we carries out at our project sites.

The segregation & storing location is clearly earmarked and labeled. We don't indulge into mixing of different waste even at the generation point, to prevent any issue related to disposal of mixed waste at the recycling facilities.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hot-spots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/ N) If no, the reasons thereof and corrective action taken, if any
	--	--	--

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year - Environmental impact assessments of projects is carried out by the Clients and is not within the scope of work of the Company

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
--	--	--	--	--	--
--	--	--	--	--	--

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/ N). If not, provide details of all such non-compliances, in the following format

The Company is in compliance with all the environmental regulations of the country. There have been no incidents of non-compliance by the Company related to the environment during the Financial Year 2022-23.

Principle 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. A. Number of affiliations with trade and industry chambers/ associations

The Company is a member of Bombay Chamber of Commerce and Industry.

B. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to –

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Bombay Chamber of Commerce and Industry	State

C. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities –

During the Financial Year 2022-23, the Company received no notices for anti-competitive, antitrust, conflict of interest, or monopolistic practices from regulatory authorities hence no corrective action was required to be taken.

Principle 8 - Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current Financial Year -** SIA of projects is carried out by the Clients and is not within the scope of work of the Company

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web Link
			--		

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format–** R&R of projects is carried out by the Clients and is not within the scope of work of the Company

Sr. No.	Name of Project for which R&R is ongoing	Sate	District	No. of Project affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
				--		

3. **Describe the mechanisms to receive and redress grievances of the community**

All agreements between the Company and the stakeholders, contain clauses on handling of grievances, disputes etc. There is a designated person at the projects/ O&M locations/sites, who can be reached out in case of any complaints or grievances from community members. Project level grievance redressal mechanism is prepared, and grievance register is maintained at every project and O&M sites.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers**

	Current Financial Year (FY22-23)	Previous Financial Year (FY21-22)
Directly sourced from MSMEs/ small producers	20.83%	7.74%
Sourced directly from within the district and neighbouring districts	31.21%	17.59%

Principle 9 - Businesses should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

There is a designated person at the projects/ O&M locations/sites, who can be reached out in case of any complaints or grievances from consumers. Project level grievance redressal mechanism is prepared, and grievance register is maintained at every project and O&M sites.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product and services offerings.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	Current Financial Year (FY22-23)			Previous Financial Year (FY21-22)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	Nil			Nil		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4 Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	0	N.A.
Forced recalls	0	N.A.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy

Yes. The Company has in place Cyber Security Policy and Data Privacy Policy to ensure sufficient safeguards are in place to prevent any data leakage. The policy is available at https://www.sterlingandwilsonre.com/pdf/IT-Policy.pdf.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services: Not Applicable

Independent Auditors' Report

TO THE MEMBERS OF
STERLING AND WILSON RENEWABLE ENERGY LIMITED
(Formerly known as Sterling and Wilson Solar Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income / Loss), the Standalone Statement of Changes in Equity, the Standalone Statement of Cash Flows for the year then ended and the Notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information, in which are incorporated the returns for the year ended on that date audited by the branch auditors of the Company's branches located at Australia, Argentina, Chile, Dubai, Egypt (2 branches), Indonesia, Jordan (2 branches), Kenya, Mexico, Namibia, Philippines, United Kingdom, Vietnam (3 branches), Tanzania, Mali, New Zealand, and Zambia.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of branch auditors on financial information of such branches as, were audited by the branch auditors, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the branch auditors referred to in paragraph (i) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matters

We draw attention to:

i) Note 53 to the standalone financial statement which describes the Indemnity Agreement dated December 29, 2021, entered into by the Company with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Company and its subsidiaries / branches for a net amount, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreement), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters, if such claims (net of receivables) exceeds ₹ 300 crore. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. Since all future crystallized claims beyond ₹ 300 crore will be fully charged back and recovered from the Promoter Selling Shareholders, there will be no further impact on the results of the Company.

ii) Note 56 to the standalone financial statements in respect of the managerial remuneration paid by the Company during the year in relation to its Manager exceeding the limit prescribed under Section 197 of the Act, read with Schedule V of the Act by ₹ 1.00 crore. The same needs to be ratified by the shareholders by a special resolution in the forthcoming Annual General Meeting of the Company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Principal Audit Procedures performed
1.	**Revenue recognition of Engineering, Procurement and Commissioning Contracts (EPC Contracts) – Estimated Costs to Complete** (Refer Note 30 of the standalone financial statements). The Company follows a Percentage of Completion Method for Revenue Recognition of Engineering, Procurement and Commissioning (EPC) Contracts which involves actual cost and estimate / forecast for balance cost. Due to significant judgment involved in the estimation of the total revenue, costs to complete and the revenue that should be recognized and significant audit risk of overstatement, we have considered Revenue Recognition – Estimated cost to complete EPC Contracts as a key audit matter.	Understood the Management controls around estimation process and derivation of the estimated cost (Cost to Complete) thereof. Evaluated and tested the design, implementation and operating effectiveness of controls addressing this risk. Reviewed the Company's accounting policies with respect to accounting and revenue recognition relating to EPC Contracts. Obtained the list of all the contracts for which the Company has recognised revenue during the year and selected samples on which we conducted our test of details. For selected samples we have: - Obtained the Job Status Report ("JSR") / Percentage of Completion ("POC") working for EPC Contracts and traced the same to financial statements and general ledgers. - Verified the executed version of contracts and its amendments for key terms and milestones to verify the estimated total revenue and costs to complete and / or any changes thereto; - Inquired with the project and commercial departments about significant modification to Cost to Complete, evaluated and challenged rationale for modification - Evaluated key Management estimates used in determining cost to complete by comparing it with prior periods and past precedents. - Verified the approval documents for change in the estimated cost during the year and if there is change in the margin due to addition / deletion of items in Bill of Quantity (Forecast) ("BOQ") / JSR / POC, the approval of the Global Chief Executive Officer is obtained.
2.	**Litigated Overdue Receivables** (Refer Note 12, 17, 42, 53 and 54 of the standalone financial statements). We considered this as key audit matter on account of risk associated with litigated overdue receivables, the Company's assessment of the recoverability of these receivables and consequent determination of provision which requires significant Management estimates and judgments.	- Understood the processes and controls around estimation process of recoverability and provision thereof. - Verified the completeness and accuracy of data considered for ageing analysis and assessment of recoverability of receivables in respect of receivables not covered under indemnity and determination of the provision. - Wherever required, obtained the legal opinions for evaluating the case position and assessing the potential outcome.

Sr. No.	Key Audit Matters	Principal Audit Procedures performed
3.	**Assessment of Impairment of Investments made in, loans given to and other receivables from the subsidiaries of the Company.** (Refer Note 6, 15 and 17 of the standalone financial statements). Due to operating losses, the net-worth of certain subsidiaries / step down subsidiaries have become negative as on March 31, 2023. The Company's exposure is reflected in the standalone financial statements in the form of investments in, loans given to and other receivables from those subsidiaries. The Management has prepared projected cashflows for it's subsidiaries for the next financial year. The determination of the recoverable amount from it's subsidiaries involves Management estimates and judgment which may affect the outcome. Since, there is an inherent risk in the valuation of investment / recoverability of loans and other receivables, due to the use of estimates and judgements mentioned above and accordingly, the assessment of impairment of investment / loans in subsidiary company has been determined as a key audit matter.	Understood the processes and controls around Management's impairment assessment of exposure in it's subsidiaries in the nature of investments made, loans given and other receivables from it's subsidiaries. Assessed the reasonability of Management's assumptions used to project the future cashflows for the purposes of analysing the recoverability of investments made, loans given and other receivables from it's subsidiaries.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Report on Corporate Governance but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and compare with the financial statements of the branches audited by the branch auditors, to the extent it relates to these branches, and in doing so, place reliance on the work of the branch auditors and consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

  If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its branches to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such branches included in the standalone financial statements of which we are the independent auditors. For the other branches included in the standalone financial statements, which have been audited by branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (i) of the section titled "Other Matters" in this audit report.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

i) We did not audit the annual financial statements of 16 branches included in the standalone financial statement of the Company, whose annual financial statements reflect total assets (before consolidation adjustments) of ₹ 767.57 crore as at March 31, 2023, total revenues (before consolidation adjustments) of ₹ 856.42 crore, total net loss after tax (before consolidation adjustments) of ₹ 229.56 crore, and total comprehensive loss (before consolidation adjustments) of ₹ 229.56 crore for the year ended on March 31, 2023, and net cash outflows of ₹ 56.07 crore for the year ended on that date as considered in the standalone financial statements of the Company.

The annual financial statements of these branches have been audited by the respective branch auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors and the procedures performed by us as stated in Auditor's Responsibilities section above.

ii) The branches referred to above are located outside India whose annual financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by the respective branch auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial statements of such branches located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management.

Our opinion in so far as it relates to the amounts and disclosures 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 audited by us.

iii) Attention is drawn to the fact that the figures in the standalone financial statements for the financial year ended March 31, 2022, were audited by one of us, whose audit report expressed an unmodified opinion with an Emphasis of Matters paragraph.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms Section 143(11) of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors on the separate financial information of the branches and referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us, except for maintaining backup on a daily basis of such books of account maintained by certain branches in electronic mode, in a server physically located in India.

   c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income/Loss), the Standalone Cash Flows Statement and the Standalone Statement of Changes in Equity, dealt with by this Report are in agreement with the relevant books of account and with the returns received from the branches not visited by us.

   e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

   f) On the basis of the written representations received from the Directors of the Company as on March 31, 2023, taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2023, from being appointed as a Director in terms of Section 164 (2) of the Act.

   g) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in the paragraph (b) above.

   h) With respect to the adequacy of the internal financial controls over financial reporting with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements.

i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, as referred in paragraph (ii) of the Emphasis of Matters, the managerial remuneration paid to its Manager by the Company during the year exceeds the limit prescribed under Section 197 of the Act read with Schedule V of the Act by ₹ 1.00 crore. The same needs to be ratified by the shareholders in the forthcoming General meeting of the Company.

j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its standalone financial position. – Refer Note 42 to the standalone financial statements.

ii) The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 28 to the standalone financial statements. The Company does not have any long-term derivative contract.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv) The Management has represented that:

a) to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on the audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) contain any material misstatement.

v) As per information and explanation provided by Management and based on the records of the Company, no dividend has been declared or paid or proposed during the year by the Company. Hence the compliance with Section 123 of the Act is not applicable.

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
PARTNER
M. No.: 42454
UDIN: 23042454BGXFQC2883
Mumbai: April 20, 2023.

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 117366W-W-100018

Mohammed Bengali
PARTNER
M. No.: 105828
UDIN: 23105828BGWPIE7023
Mumbai: April 20, 2023.

Annexure A to the Independent Auditor's Report

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023:

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020:

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i) **In respect of Company's Property Plant and Equipment, Intangible Assets and Right of use assets:**

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use Assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a program of physical verification of Property, Plant and Equipment and Right of Use assets so as to cover all the assets over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. Accordingly, paragraph 3 (i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

e) According to the information and explanations given to us, and basis representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) **Inventory**

a) The Management has conducted physical verification of inventories (stores and spare parts and construction materials) and site visits by the Management of project land at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such physical verification is reasonable having regard to the size of the Company and the nature of its operations and discrepancies of 10% or more in the aggregate for each class of inventories noticed on such physical verification of inventories when compared with books of account, have been properly dealt with in the books of account.

b) According to the information and explanations given to us by the Management and books and records maintained, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at various points of time during the year, from banks and financial institutions on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

iii) **Loans, Investments, etc.**

The Company has neither made any investments in, nor provided any securities or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

a) The Company has provided guarantees and granted unsecured loans to subsidiaries during the year as detailed in Note 45 to the standalone financial statements.

A. The details as under:

(₹ Crore)

Particulars	Guarantees	Loans
Aggregate amount granted / provided during the year		
- Subsidiaries	242.05	1,172.12
Balance outstanding as at balance sheet date in respect of above cases*		
- Subsidiaries	1,704.69	1,260.24

* The amounts reported are at gross amounts, without considering provisions made.

B. The Company has not provided guarantees, securities or granted loans and advances in the nature of loans to any other parties.

b) In our opinion, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year, are prima facie, not prejudicial to the interest of the Company.

c) According to the information and explanations given to us and based on the audit procedures performed by us, unsecured loans granted to subsidiaries along with the interest thereon are repayable on demand. A subsidiary company has been regular in payment of principal and interest as demanded. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company from three other subsidiary companies, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below).

d) According to the information and explanations given to us and based on the audit procedures performed by us and having regard to the terms of repayment of unsecured to the subsidiaries loans and interest thereon being on demand, there are no overdue amounts at the balance sheet date in respect of repayments demanded thereof.

e) No loans granted by the Company which have fallen due during the year or being demanded, have been renewed or extended or fresh loans granted to settle the over-dues of existing loans given to the same parties.

f) The Company has granted loans repayable on demand or without specifying any terms or period of repayment to Promoters and related parties as defined in clause (76) of section 2 of the Act whose details are as under:

(₹ Crore)

	Promoters	Related Parties
Aggregate amount of loans	-	1,260.24
- Repayable on demand (A)	-	-
- Agreement does not specify any terms or period of repayment (B)		
Total (A+B)	-	1,260.24
Percentage of loans to the total loans	-	100%

iv) **Section 185 and 186**

In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees provided as applicable. The Company has not provided any security in connection with a loan to any other body corporate or person and accordingly, compliance under Sections 185 and 186 of the Act in respect of providing securities is not applicable to the Company.

v) **Public Deposits**

The Company has not accepted any deposit or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable. According to the information and explanations given to us and representation obtained from Management, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

vi) Cost Records

Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.

vii) Statutory Dues

a) According to the information and explanations given to us and on the basis of the records examined by us, the Company have generally been regular in depositing with the appropriate authorities, though there have been slight delays in a few cases in respect of undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom and other material applicable statutory dues during the year. The provisions relating to sales tax, duty of excise, value added tax and cess are not applicable to the Company. There were no undisputed amounts payable in respect of Goods and Service tax, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material applicable statutory dues in arrears as at March 31, 2023, for a period of more than six months from the date they became payable except for Provident Fund for ₹ 0.17 crore.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023, on account of disputes are given below:

Name of Statute	Nature of Dues	Amount* (₹ Crore)	Period to which the amount relates	Forum where dispute is pending
Central Goods and Services Tax Act, 2017	CGST, interest and penalty	41.02	2017-18	Andhra Pradesh High Court
		42.31	2017-18	Gujarat High Court
		88.49	2018-19	Rajasthan High Court
The Andhra Pradesh Goods and Services Tax Act, 2017.	SGST, interest and penalty	40.57	2017-18	Andhra Pradesh High Court
Rajasthan Goods and Services Tax Act, 2017.	SGST, interest and penalty	88.49	2018-19	Rajasthan High Court
Gujarat Goods and Services Tax Act, 2017	SGST, interest and penalty	42.31	2017-18	Gujarat High Court
Egypt Value Added Tax	VAT interest and penalty	30.95	2017-2020	Egypt VAT office
Income Tax Act, 1961.	Income-tax and interest	14.14	2018-19 2020-21	CIT Appeals

* net of ₹ 1.85 crore paid under protest.

viii) Undisclosed Income

According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix) Borrowings:

a) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or other borrowings or payment of interest thereon to any lender.

b) In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.

c) In our opinion and according to the information and explanations given to us and to the best of our knowledge and belief, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) In our opinion and according to the information and explanations given to us and representation obtained from Management, on an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) In our opinion and according to the information and explanations given to us, representation obtained from Management, and on an overall examination of the standalone financial statements of the Company, the Company has taken funds from following entities on account of or to meet the obligations of its subsidiaries as per details below:

Nature of funds taken	Name of lender	On account of or to meet the obligations of subsidiary			
		Amount Involved (₹ Crore)	Name of the Subsidiary	Relation	Nature of transaction for which funds utilized
Working capital loans and Term Loans	Banks and Financial Institutions	1,101.09	Sterling and Wilson International Solar FZCO	Subsidiary	Working capital

f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x) Issue of Securities

a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi) Fraud

a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year and upto the date of this report.

xii) Nidhi Company

The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) Related Parties

According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) Internal Audit

a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and covering the period upto March 21, 2023, in determining the nature, timing and extent of our audit procedures.

xv) Non-cash transactions

According to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable to the Company.

xvi) In respect of registration u/s 45-IA

a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(a) and (b) of the Order are not applicable.

b) The Company and any other company in the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

xvii) Cash Loss

The Company has incurred cash losses amounting to ₹ 419.54 crore during the financial year covered by our audit and ₹ 10.68 crore in the immediately preceding financial year.

xviii) Resignation of Statutory Auditors

During the year, there has been no resignation of the statutory auditor of the Company.

xix) Ability to Pay Liabilities

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and representation from Management. Our report neither gives any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) Corporate Social Responsibility

a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects that require to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b) In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the Act till the date of our report.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
PARTNER
M. No.: 42454
UDIN: 23042454BGXFQC2883
Mumbai: April 20, 2023.

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 117366W-W-100018

Mohammed Bengali
PARTNER
M. No.: 105828
UDIN: 23105828BGWPIE7023
Mumbai: April 20, 2023.

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 (h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the standalone financial statements of STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited) (hereinafter referred to as the 'the Company'), as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to financial reporting of the Company's branches.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the branch auditors in terms of their report referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that:

i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.

ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of branch auditors on internal controls with reference to the financial information of such branches as were audited by the branch auditors, the Company has in all material respects, an adequate internal financial controls system with reference to the standalone financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matters

We did not audit the internal financial controls with reference to financial information / statements of 16 branches (in Australia, Argentina, Chile, Dubai, Egypt, Indonesia, Jordan, Kenya, Mexico, Namibia, Philippines, Vietnam, Tanzania, Mali, New Zealand and Zambia) of the Company. The internal financial controls with reference to financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the internal financial controls with reference to financial information included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
PARTNER
M. No.: 42454
UDIN: 23042454BGXFQC2883
Mumbai: April 20, 2023.

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 117366W-W-100018

Mohammed Bengali
PARTNER
M. No.: 105828
UDIN: 23105828BGWPIE7023
Mumbai: April 20, 2023.

Standalone Balance Sheet as at March 31, 2023

(Currency: Indian rupees in crore)

		Note	March 31, 2023	March 31, 2022
	Assets			
1	**Non-current assets**			
(a)	Property, plant and equipment	4	18.69	16.29
(b)	Capital work-in-progress	4	-	-
(c)	Right-of-use assets	51	9.05	4.97
(d)	Other intangible assets	5	5.53	6.56
(e)	Intangible assets under development	5	-	0.32
(f)	Financial assets			
	(i) Investments	6	371.21	371.21
	(ii) Other financial assets	7	11.06	4.77
(g)	Deferred tax assets (net)	8	100.60	105.73
(h)	Non-current tax assets (net)	9	61.35	42.21
(i)	Other non-current assets	10	1.85	1.85
	Total non-current assets		**579.34**	**553.91**
2	**Current assets**			
(a)	Inventories	11	1.57	3.90
(b)	Financial assets			
	(i) Trade receivables	12	546.08	589.78
	(ii) Cash and cash equivalents	13	23.32	344.85
	(iii) Bank balances other than (ii) above	14	35.41	35.60
	(iv) Loans	15	1,262.14	153.96
	(v) Derivatives	16	3.72	-
	(vi) Other financial assets	17	869.78	1,339.76
(c)	Other current assets	18	735.62	950.99
	Total current assets		**3,477.64**	**3,418.84**
	Total assets		**4,056.98**	**3,972.75**
	Equity and liabilities			
	Equity			
(a)	Equity share capital	19	18.97	18.97
(b)	Other equity	20	1,150.01	1,482.26
	Total equity		**1,168.98**	**1,501.23**
	Liabilities			
1	**Non-current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	21	700.00	-
	(ii) Lease liabilities	51	10.13	5.57
(b)	Provisions	22	14.02	20.56
	Total non-current liabilities		**724.15**	**26.13**
2	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	23	1,140.18	353.23
	(ii) Lease liabilities	51	0.98	0.51
	(iii) Trade payables	24		
	Total outstanding dues of micro enterprises and small enterprises		9.72	19.16
	Total outstanding dues of creditors other than micro enterprises and small enterprises		319.19	1,424.22
	(iv) Derivatives	25	-	20.37
	(v) Other financial liabilities	26	155.33	78.48
(b)	Other current liabilities	27	505.65	393.91
(c)	Provisions	28	27.89	155.51
(d)	Current tax liabilities (net)	29	4.91	-
	Total current liabilities		**2,163.85**	**2,445.39**
	Total liabilities		**2,888.00**	**2,471.52**
	Total equity and liabilities		**4,056.98**	**3,972.75**

The attached notes 1 - 60 are an integral part of these standalone financial statements.

As per our report of even date attached.

For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Regn. No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

Chandra Thakur
Manager
Mumbai

Mumbai
April 20, 2023

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN:00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 20, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

	Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
	Income			
I	Revenue from operations	30	1,457.91	3,459.58
II	Other income	31	214.26	102.31
III	**Total income (I+II)**		**1,672.17**	**3,561.89**
IV	**Expenses**			
	Cost of construction materials, stores and spare parts	32	900.54	1,681.70
	Changes in inventories of stock-in-trade	33	-	-
	Direct project costs	34	689.54	1,670.48
	Employee benefits expense	35	144.06	124.83
	Finance costs	36	141.10	75.34
	Depreciation and amortisation expense	37	6.69	7.90
	Other expenses	38	137.21	207.06
	Total expenses (IV)		**2,019.14**	**3,767.31**
V	**(Loss) before income tax (III-IV)**		**(346.97)**	**(205.42)**
VI	**Tax expense:**	39		
	Current tax			
	Current tax relating to current year		6.00	-
	Current tax relating to earlier years		2.05	4.81
	Deferred tax (credit)		-	(42.71)
	Total tax expense (VI)		**8.05**	**(37.90)**
VII	**(Loss) for the year (V-VI)**		**(355.02)**	**(167.52)**
VIII	**Other comprehensive income / (loss)**			
	Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurements of defined benefit liability		(0.52)	0.60
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(0.15)
	Items that will be reclassified subsequently to profit or loss			
	(i) Effective portion of gain on hedging instruments in cash flow hedges		39.59	14.99
	(ii) Effective portion of (gain) / losses on hedging instruments in cash flow hedges reclassified to profit or loss		(15.50)	55.13
	(iii) Income tax relating to items that will be reclassified to profit or loss		(5.13)	(17.65)
	(iv) Exchange differences in translating financial statements of foreign operations		1.01	10.09
VIII	**Other comprehensive income for the year, net of income tax**		**19.45**	**63.01**
IX	**Total comprehensive (loss) for the year**		**(335.57)**	**(104.51)**
X	**Earnings per equity share**			
	Basic and diluted earnings per share (₹) (face value of ₹ 1 each)	40	**(18.72)**	**(9.99)**

The attached notes 1 - 60 are an integral part of these standalone financial statements.

As per our report of even date attached.

For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Regn. No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

Chandra Thakur
Manager
Mumbai

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN:00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai

Mumbai
April 20, 2023

April 20, 2023

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

A. Equity Share Capital

Particulars	March 31, 2023	March 31, 2022
Balance as at the beginning of the year	18.97	16.04
Add: Changes in share capital during the year	-	2.93
Balance at the end of the year	**18.97**	**18.97**

B. Other Equity

	Reserves and surplus					Sub-total	Items of other comprehensive income		Sub-total	Total
	Capital reserve on demerger	Capital redemption reserve*	Securities premium	Employee stock option reserve	Retained earnings		Effective portion of cash flow hedge	Exchange difference on translating the financial statement of foreign operations		
Balance as at 1 April 2022*	**(181.74)**	**0.00**	**1,087.12**	**3.71**	**566.64**	**1,475.73**	**(15.25)**	**21.78**	**6.53**	**1,482.26**
Adjustments:										
Total comprehensive income / loss for the year										
(Loss) for the year	-	-	-	-	(355.02)	(355.02)	-	-	-	(355.02)
Remeasurements of the defined benefit liability	-	-	-	-	(0.52)	(0.52)	-	-	-	(0.52)
Employee stock option reserve for the year	-	-	-	3.32	-	3.32	-	-	-	3.32
Items of OCI for the year, net of tax:										
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	1.01	1.01	1.01
Gain on hedging instruments in cash flow hedges, net of tax	-	-	-	-	-	-	34.47	-	34.47	34.47
Effective portion of (gain) on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	-	-	-	-	-	-	(15.50)	-	(15.50)	(15.50)
Total comprehensive income for the year	**-**	**-**	**-**	**3.32**	**(355.54)**	**(352.22)**	**18.97**	**1.01**	**19.98**	**(332.25)**
Balance as at 31 March 2023	**(181.74)**	**0.00**	**1,087.12**	**7.03**	**211.10**	**1,123.51**	**3.72**	**22.78**	**26.51**	**1,150.01**

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

	Reserves and surplus					Sub-total	Items of other comprehensive income		Sub-total	Total
	Capital reserve on demerger	Capital redemption reserve*	Securities premium	Employee stock option reserve	Retained earnings		Effective portion of cash flow hedge	Exchange difference on translating the financial statement of foreign operations		
Balance as at 1 April 2021, as previously reported*	**(181.74)**	**0.00**	**-**	**-**	**733.71**	**551.97**	**(67.72)**	**11.69**	**(56.03)**	**495.94**
Adjustments:										
Total comprehensive income / loss for the year										
(Loss) for the year	-	-	-	-	(167.52)	(167.52)	-	-	-	(167.52)
Items of OCI for the year, net of tax:										
Remeasurement of the defined benefit liability, net of tax	-	-	-	-	0.45	0.45	-	-	-	0.45
Employee stock option reserve for the year	-	-	-	3.71	-	3.71	-	-	-	3.71
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	10.08	10.08	10.08
Gains/losses on hedging instruments in cash flow hedges, net of taxes	-	-	-	-	-	-	11.22	-	11.22	11.22
Effective portion of gain/(losses) on hedging instruments in cash flow hedges reclassified to profit or loss	-	-	-	-	-	-	41.25	-	41.25	41.25
Total comprehensive income for the year	**-**	**-**	**-**	**3.71**	**(167.07)**	**(163.36)**	**52.47**	**10.09**	**62.56**	**(100.80)**
Transactions with owners, directly recorded in Other equity										
Securities premium on issue of equity shares (net of share issue expenses)	-	-	1,087.12	-	-	1,087.12	-	-	-	1,087.12
Total transactions with owners	**-**	**-**	**1,087.12**	**-**	**-**	**1,087.12**	**-**	**-**	**-**	**1,087.12**
Balance as at 31 March 2022	**(181.74)**	**0.00**	**1,087.12**	**3.71**	**566.64**	**1,475.73**	**(15.25)**	**21.78**	**6.53**	**1,482.26**

*Amount less than ₹ 0.01 crore

The attached notes 1 - 60 are an integral part of these standalone financial statements.

As per our report of even date attached.

For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

Mumbai
April 20, 2023

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Regn. No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

Chandra Thakur
Manager
Mumbai

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN:00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 20, 2023

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

			For the year ended March 31, 2023	For the year ended March 31, 2022
A)	**Cash flows from operating activities**			
	(Loss) before tax		(346.97)	(205.42)
	Adjustments for:			
	Depreciation and amortisation expense		6.69	7.90
	Expected credit loss on financial assets		14.90	12.93
	Bad debts written off		0.58	-
	Profit on sale of property, plant and equipmcnts (net)		(0.06)	-
	Provision for liquidated damages		-	52.97
	Provision for foreseeable losses		3.93	-
	Finance costs		141.10	75.34
	Interest income		(86.19)	(71.99)
	Unrealised foreign exchange (loss) / gain (net)		(63.27)	86.67
	Liabilities no longer required		(59.83)	-
	Expected credit loss on financial assets no longer required		(31.58)	-
	Share of loss in partnership firm		56.59	34.27
	Operating profit / (loss) before working capital changes		**(364.11)**	**(7.33)**
	Working capital adjustments			
	Decrease / (Increase) in inventories		2.33	(0.81)
	Decrease in trade receivables		85.75	173.34
	(Increase) in loans and advances		(0.99)	(0.31)
	Decrease / (Increase) in restricted cash (refer note 2 below)		0.25	(0.61)
	Decrease / (Increase) in other financial assets		559.38	(637.43)
	Decrease in other current and non-current assets		215.37	88.30
	(Decrease) in trade payable, derivatives, other financial liabilities, other liabilities and provisions		(1,056.25)	(871.99)
	Net change in working capital		**(194.16)**	**(1,249.51)**
	Cash flows used in operating activities		(558.27)	(1,256.84)
	Income tax (paid) (net)		(22.44)	(13.86)
	Effects of exchange differences on translation of assets and liabilities		1.01	10.08
	Net cash flows (used in) operating activities	**(A)**	**(579.70)**	**(1,260.62)**
B)	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, capital work in progress and intangible assets		(6.52)	(2.87)
	Proceeds from sale of property, plant and equipment		0.08	-
	(Investment) / Redemption in long term fixed deposits (net)		(0.06)	-
	(Investment) / Redemption in short term fixed deposits (net)		(6.00)	12.03
	Inter-corporate deposits / Loan given to subsidiaries and fellow subsidiaries		(1,168.91)	(44.05)
	Inter-corporate deposits / Loan repaid by subsidiaries and fellow subsidiaries		74.69	448.61
	Interest received		18.75	86.61
	Net cash flows (used in) / generated from investing activities	**(B)**	**(1,087.97)**	**500.33**
C)	**Cash flows from financing activities**			
	Proceeds from secured bank borrowings		1,500.00	-
	(Repayment of) / Proceeds from cash credit borrowings (net)		(4.29)	(51.42)
	Proceeds from /(Repayment of) secured and unsecured short-term borrowings (net)		(8.76)	18.92
	Finance costs paid		(139.51)	(74.26)
	Repayment of lease liabilities (including interest on lease liabilities)		(1.42)	(1.09)
	Proceeds from issue of equity shares (net of share issue expenses)		-	1,090.05
	Net cash flows generated from financing activities	**(C)**	**1,346.02**	**982.20**
	Net movement in currency translation	**(D)**	**0.12**	**0.25**
	Net Increase / (decrease) in cash and cash equivalents	**(A + B + C + D)**	**(321.53)**	**222.16**
	Cash and cash equivalents at the beginning of the year		**344.85**	**122.69**
	Cash and cash equivalents at the end of the year		**23.32**	**344.85**

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

Notes :

1 The standalone statement of cash flows have been prepared under the indirect method as set out in Indian Accounting Standard - 7 on Statement of Cash Flows.

2 Current account balances with banks include ₹ 0.94 crore (31 March 2022: ₹ 1.34 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, an amount of ₹ 1.72 crore (31 March 2022: ₹ 1.57 crore) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (31 March 2022: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

3 Cash comprises cash on hand and current accounts. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

		March 31, 2023	March 31, 2022
4	**Components of cash and cash equivalents**		
	Balance with banks		
	- in current accounts	22.33	344.50
	Cash on hand	0.99	0.35
		23.32	**344.85**

5 Changes in liabilities arising from financing activity, including both changes arising from cash flows and non-cash changes:

Particulars	As at 1 April 2022	Changes considered in Standalone statement of cash flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at March 31, 2023
Short-term borrowings	353.23	786.95	-	1,140.18
Lease liabilities	6.08	(1.09)	1.42	11.11

Particulars	As at 1 April 2021	Changes considered in Standalone statement of cash flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at 31 March 2022
Short-term borrowings	385.73	(32.50)	-	353.23
Lease liabilities	6.48	(1.09)	0.69	6.08

6 The above standalone statement of cash flows includes ₹ 3.22 crore (31 March 2022: ₹ 3.81 crore) towards corporate social responsibility (refer note 47).

The attached notes 1 - 60 are an integral part of these standalone financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For **Deloitte Haskins & Sells LLP**
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For and on behalf of the Board of Directors of
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Company Secretary
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Mumbai
April 20, 2023

Mumbai
April 20, 2023

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

1 Background

Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited ("the Company") was incorporated as a Private Limited Company on 9 March 2017 under The Companies Act, 2013. The Company is a Solar EPC contractor with a PAN India presence and international operations in Middle East, South East Asia, Africa, Philippines, Thailand, Europe, South America, Latin America, Australia and USA.

The Company is specialised in complete turnkey and Roof top solutions for Solar EPC solutions with having experience of executing more than 200 projects. The principal activity of the Company includes turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Renewable Energy Power projects and other related activities.

The Company is also engaged in the business of : a) setting up of power plants, solar energy systems, renewable energy systems or any other facility including Hybrid Energy Systems & Energy Storage (BESS) & (ESS) plants with predominantly non fossil fuels to generate power and to produce and b) integrated solid waste/ biomass management including Waste to Energy using MSW (Municipal Solid Waste) as fuel for Power Generation, using Biomass as fuel for Power Generation, selective Power to Synthetic Gas using excess renewable power, Power Plant for the demand response market.

The Company was incorporated on 9 March 2017 as Rashmika Energy Private Limited. The Company was renamed as Sterling and Wilson Solar Private Limited on 24 April 2018. Further the Company was renamed to Sterling and Wilson Solar Limited on 25 January 2019. The Company was listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India on 20 August 2019.

Effective 30 December 2021, the Company became an Associate of Shapoorji Pallonji and Company Private Limited ("SPCPL"). Prior to this date it was a subsidiary of SPCPL. Further, effective 6 January 2022, the Company also became an associate of Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) which is a wholly-owned subsidiary of Reliance Industries Limited.

2 Basis of preparation of the standalone financial statements

a Statement of compliance

The accompanying standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on 20 April 2023.

b Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest two decimal places in crore during the year ended 31 March 2023, unless otherwise stated.

c Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- employee's defined benefit plan as per actuarial valuation.

d Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 are as follows:

(i) **Evaluation of percentage of completion**

Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenue from the project or activity and foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the standalone financial statements for the year in which such changes are determined.

(ii) **Estimated useful lives of property, plant and equipment and intangible assets**

The Company estimates the useful lives of property, plant and equipment and intangible assets based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment and intangible assets is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different based from that prescribed in Schedule II of the Act, they are based on internal technical evaluation. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised. The estimation of residual value of assets is based on management's judgment about the condition of such asset at the point of sale of asset.

(iii) **Recoverability of deferred income tax assets**

In determining the recoverability of deferred income tax assets, the Company primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Company reviews its deferred income tax assets at every reporting year/ period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

(iv) **Measurement of defined benefit obligations and other employee benefit obligations**

The Company's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the year/period in which the employee renders the related services are recognised as a liability at the present value of the other long-term employment benefits.To the extent, the employee has an unconditional right to avail the leave, the same needs to be classified as "current" even though the same is measured as 'other long-term employee benefit' as per Ind AS-19 Employee Benefits.

The present value of the obligation is determined based on actuarial valuation at the balance sheet date by an Independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(v) Provision for obsolete inventory

The Company reviews its inventory to assess loss on account of obsolescence on a regular basis. In determining whether provision for obsolescence should be recorded in the standalone statement of profit and loss, the Company makes judgments as to whether there is any observable data indicating that there is any future saleability of the product, including demand forecasts and shelf life of the product. The provision for obsolescence of inventory is based on the ageing and past movement of the inventory.

(vi) Impairment losses on financial assets

The Company reviews its financial assets to assess impairment at regular intervals. The Company's credit risk is primarily attributable to its financial assets. In determining whether impairment losses should be reported in the standalone statement of profit and loss, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

(vii) Impairment losses on investment

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(viii) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting year/period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:-

- Note 52 – financial instruments.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(ix) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

(x) Determination of lease term and discount rate

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

3 Significant accounting policies

3.1 Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

Assets

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

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities

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

(i) it is expected to be settled in the Company's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

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

In respect of the engineering, procurement and construction services (EPC) segment of the Company,

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

the construction projects usually have short to medium gestation period and based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 18 months for the purpose of current - non-current classification of assets and liabilities. For the other operations, the operating cycle is ascertained as 12 months for the purpose of current – non-current classification of the assets and liabilities.

3.2 Foreign currency

(i) Foreign currency transactions

- *Initial Recognition*

  All transactions that are not denominated in the Company's functional currency are foreign currency transactions. These transactions are initially recorded in the functional currency by applying the appropriate daily rate which best approximates the actual rate of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the standalone statement of profit and loss.

- *Measurement of foreign currency items at the reporting date*

  Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the standalone statement of profit and loss, except exchange differences arising from the translation of the equity investments classified as fair value through OCI (FVOCI) which is recognised in OCI.

(ii) Foreign operations

The assets and liabilities of foreign operations (branches), are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

When a foreign operation is disposed the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the standalone statement profit and loss as part of the gain or loss on disposal.

3.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

(i) Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the standalone statement of profit and loss.

(ii) Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the standalone statement of profit and loss. Any gain or loss on derecognition is recognised in the standalone statement of profit and loss.

(iii) Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the standalone statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the standalone statement of profit and loss.

(iv) Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income in the standalone statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the standalone statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains

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and losses, including any interest expense, are recognised in the standalone statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the standalone statement of profit and loss. Any gain or loss on derecognition is also recognised in the standalone statement of profit and loss. See Note 3.3 (e) for financial liabilities designated as hedging instruments.

(c) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the standalone statement of profit and loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the standalone statement of profit and loss.

The Company designates certain derivatives as hedging instruments to hedge variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivatives is recognised immediately in the standalone statement of profit and loss.

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When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to the standalone statement of profit and loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or for other cash flow hedges, it is reclassified to the standalone statement of profit and loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the standalone statement of profit and loss.

3.4 Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) in the principal market for the asset or liability; or

(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 : quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

3.5 Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses.

If the cost of an individual part of property, plant and equipment is significant relative to the total cost of the item, the individual part is accounted for and depreciated separately.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the subsequent expenditure can be measured reliably.

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Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the standalone statement of profit and loss as and when incurred.

Capital work in progress and Capital advances:

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

Depreciation

Depreciation on property, plant and equipment has been provided using the straight line method in the manner and at the rates prescribed by Schedule II of the Act, except for certain items of plant and machinery (such as welding machine, drilling machine, porta cabin etc. whose useful life has been estimated to be five years) wherein depreciation is provided based on the estimated useful lives of the plant and machinery so acquired, determined by the Company's management based on the technical evaluation carried out by the projects team. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The useful lives used, as set out in the following table, are lower / higher than or as those specified in Schedule II of the Act as under:

Assets	Life in no. of years	Schedule II useful lives
Plant and equipment	5 years to 25 years	15 years
Furniture and fixtures	3 years to 10 years	10 years
Vehicles	8 years to 10 years	8 years to 10 years
Computer hardware	3 years to 6 years	3 years / 6 years

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

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

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Individual Assets costing INR 5,000 or less are fully depreciated in the year/period of purchase. The residual value of property, plant and equipment is estimated by management to be 5% of cost.

3.6 Other intangible assets

Intangible assets comprise primarily of computer software (including enterprise systems). Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Other intangible assets are amortised over an expected benefit period of one to ten years using straight line method.

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Derecognition

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the standalone statement of profit and loss in the year the asset is derecognised.

3.7 Leases

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

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- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

As a lessee

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Company measures right-of-use assets at cost less accumulated depreciation and any accumulated impairment losses.

Lease liabilities

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than 12 months or less and leases of low-value assets, including IT Equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Company's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

3.8 Inventories

Material at central stores comprises modules, wires, cables, components, stores and spares. Stock in trade comprises of land acquired for Solar EPC projects.

Inventories are valued at lower of cost or net realisable value; cost is determined on the moving weighted average method basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.9 Impairment

Impairment of non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

(i) Trade receivables, lease receivables and contract assets; and

(ii) Financial assets measured at amortised cost (other than trade receivables, lease receivables and contract assets).

In case of trade receivables, lease receivables and contract assets, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognition as loss allowance. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a

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significant increase in credit risk from initial recognition in which case those are measured at lifetime of ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the standalone statement of profit and loss.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off during the year.

Impairment of non-financial assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.10 Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

(i) Defined contribution plans

A defined contribution plan is a plan for the post employment benefit of an employee under which the Company pays fixed periodic contributions into Provident Fund and Employee State Insurance Corporations in accordance with Indian regulations. The Company has no further legal or constructive obligation to pay once contributions are made. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the standalone statement of profit and loss in the periods during which the related services are rendered by employees. In respect of foreign branch, the Company's contribution towards defined contribution benefit plan is accrued in compliance with the domestic laws of the country in which the standalone foreign branch operates.

(ii) Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service

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in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

All remeasurement gains and losses arising from defined benefit plans are recognised in the standalone statement of other comprehensive income in the year/period in which they occur and not reclassified to the standalone statement of profit and loss in the subsequent period. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the year/period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual year/period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year/period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the standalone statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the standalone statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs in the standalone statement of profit and loss.

Other long-term employee benefits

The Company's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated at the balance sheet date on the basis of an actuarial valuation done by an independent actuary using the projected unit credit Method and is discounted to its present value and the fair value of any related assets is deducted. Remeasurements gains or losses are recognised in the standalone statement of profit and loss in the year/period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the year/period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under long term employment benefits, are based on the market yields on Government securities as at the balance sheet date.

Equity settled share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the

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original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Standalone statement of profit and loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.11 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

"Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The policy for contingent asset should be as under:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However the same are disclosed in the standalone financial statements where an inflow of economic benefits is probable.

Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

3.12 Revenue recognition

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 1 April 2018. The Company has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers:

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract and excludes taxes and duties. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue from works contracts and Income from designing and engineering services

Revenue from works contracts and Income from designing and engineering services, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Any variations in contract work, claims, incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

Revenue from sale of goods

The Company recognises revenue from sale of goods once the customer takes possession of the goods. Revenue represents the invoice value of goods provided to third parties net of discounts and taxes.

Operation and maintenance income

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e. input method on a straight line basis.

Contract assets

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

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3.13 Export incentives

Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds. The export incentives are disclosed as other income in the standalone financial statements.

3.14 Advances from customers, progress payments and retention

Dividend income is recognised in the standalone statement of profit and loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.15 Income tax

Income-tax comprises current and deferred tax. It is recognised in the standalone statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using applicable tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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Deferred tax is measured at the tax rates that are expected to apply to the year/period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities."

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.16 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.17 Investments

Investments in equity shares of subsidiaries are recorded at cost and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the standalone statement of profit and loss. Cost of investments include acquisition charges such as brokerage, fees and duties. Profit or loss on sale of investments is determined on the basis of first in first out (FIFO) basis of carrying amount of investment disposed off.

3.18 Standalone statement of cash flows

The Company's standalone statement of cash flows are prepared using the Indirect method, whereby profit / (loss) for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Company's cash management.

3.19 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the year/period except where the results would be anti-dilutive.

3.20 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3.21 Business combination

Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

transferred to capital reserve, which is shown separately from other capital reserves.

The financial information in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the standalone financial statements irrespective of the actual date of the combination.

3.22 Recent pronouncements

On 31 March 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from 1 April 2023.

(i) Ind AS 101 – First-time Adoption of Indian Accounting Standards

(ii) Ind AS 102 – Share-based Payment

(iii) Ind AS 103 – Business Combinations

(iv) Ind AS 107 – Financial Instruments Disclosures

(v) Ind AS 109 – Financial Instruments

(vi) Ind AS 115 – Revenue from Contracts with Customers

(vii) Ind AS 1 – Presentation of Financial Statements

(viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

(ix) Ind AS 12 – Income Taxes

(x) Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

4 Property, plant and equipment and capital work-in-progress

Reconciliation of carrying amount for the year ended 31 March 2023

Particulars	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying amount :								
Balance as at 1 April 2022	**2.02**	**23.16**	**0.57**	**1.76**	**8.28**	**35.79**	**0.01**	**35.80**
Add: Additions during the year	3.17	0.85	0.10	-	2.40	6.52	-	6.52
Less: Disposals / Written off /Transferred during the year	-	0.02	-	0.23	0.22	0.47	0.01	0.48
Add: Exchange differences on translation of foreign operations*	-	(0.08)	(0.00)	0.06	0.34	0.32	-	0.32
Balance as at 31 March 2023	**5.19**	**23.91**	**0.67**	**1.59**	**10.80**	**42.16**	**-**	**42.16**
Accumulated depreciation and amortisation :								
Balance as at 1 April 2022	**0.48**	**11.51**	**0.31**	**0.58**	**6.64**	**19.52**	**(0.01)**	**19.51**
Add: Depreciation and amortisation for the year	0.39	2.73	0.07	0.20	0.97	4.36	-	4.36
Less: Disposals / Written off /Transferred during the year*	0.00	0.02	-	0.22	0.21	0.45	(0.01)	0.44
Add: Exchange differences on translation of foreign operations*	-	0.04	0.01	(0.02)	0.01	0.04	-	0.04
Balance as at 31 March 2023	**0.87**	**14.26**	**0.39**	**0.54**	**7.41**	**23.47**	**-**	**23.47**
Carrying amounts (net)								
At 1 April 2022	**1.54**	**11.65**	**0.26**	**1.18**	**1.64**	**16.27**	**-**	**16.29**
At 31 March 2023	**4.32**	**9.65**	**0.28**	**1.05**	**3.38**	**18.69**	**-**	**18.69**

*Amount less than ₹ 0.01 crore

Reconciliation of carrying amount for the year ended 31 March 2022

Particulars	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying amount :								
Balance as at 1 April 2021	2.02	21.63	0.55	1.74	7.85	33.79	0.01	33.80
Add: Additions during the year*	-	1.37	0.00	-	0.45	1.82	-	1.82
Add: Exchange differences on translation of foreign operations	-	0.16	0.02	0.02	(0.02)	0.18	-	0.18
Balance as at 31 March 2022	**2.02**	**23.16**	**0.57**	**1.76**	**8.28**	**35.79**	**0.01**	**35.80**
Accumulated depreciation and amortisation :								
Balance as at 1 April 2021	**0.25**	**7.77**	**0.25**	**0.51**	**5.06**	**13.84**	**-**	**13.84**
Add: Depreciation and amortisation for the year	0.23	3.84	0.05	0.14	1.58	5.84	-	5.84
Less: Disposals / Written off /Transferred during the year	-	-	-	-	-	-	0.01	0.01
Add: Exchange differences on translation of foreign operations*	-	(0.10)	0.01	(0.07)	0.00	(0.16)	-	(0.16)
Balance as at 31 March 2022	**0.48**	**11.51**	**0.31**	**0.58**	**6.64**	**19.52**	**(0.01)**	**19.51**
Carrying amounts (net)								
At 1 April 2021	**1.77**	**13.86**	**0.30**	**1.23**	**2.79**	**19.95**	**0.01**	**19.96**
At 31 March 2022	**1.54**	**11.65**	**0.26**	**1.18**	**1.64**	**16.27**	**-**	**16.29**

Notes:

a) Movable fixed assets with carrying amount of ₹ 14.37 crore (31 March 2022: ₹ 14.73 crore) are subject to first charge to secured bank loans obtained by the Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

5 Other Intangible assets

Reconciliation of carrying amount for the year ended 31 March 2023

Particulars	Computer software	Intangible assets under development	Total
Gross carrying amount			
Balance as at 1 April 2022	9.80	0.32	10.12
Add: Additions during the year*	0.00	-	0.00
Less: Disposals / writen off during the year	-	0.32	0.32
Add: Exchange differences on translation of foreign operations*	0.00	-	0.00
Balance as at 31 March 2023	**9.80**	**-**	**9.80**
Balance as at 1 April 2021	**9.74**	**0.32**	**10.06**
Add: Additions during the year	0.06	-	0.06
Less: Disposals / writen off during the year	-	-	-
Add: Exchange differences on translation of foreign operations*	0.00	-	0.00
Balance as at 31 March 2022	**9.80**	**0.32**	**10.12**
Accumulated amortisation and impairment losses:			
Balance as at 1 April 2022	**3.24**	**-**	**3.24**
Add: Amortisation change for the year	1.03	-	1.03
Less: Disposals / writen off during the year	-	-	-
Add: Exchange differences on translation of foreign operations*	0.00	-	0.00
Balance as at 31 March 2023	**4.27**	**-**	**4.27**
Balance as at 1 April 2021	**1.90**	**-**	**1.90**
Add: Amortisation change for the year	1.31	-	1.31
Less: Disposals / writen off during the year	-	-	-
Add: Exchange differences on translation of foreign operations*	0.03	-	0.03
Balance as at 31 March 2022	**3.24**	**-**	**3.24**
Carrying amounts (net)			
At 31 March 2022	**6.56**	**0.32**	**6.88**
At 31 March 2023	**5.53**	**-**	**5.53**

*Amount less than ₹ 0.01 crore

Notes:

a) Ageing schedule for Intangible assets under development is as follows :

Intangible assets under development	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
31 March 2023	-		-	-	-
31 March 2022	-		0.32	-	0.32

*Amount less than ₹ 0.01 crore

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

6 Non-current investments

Particulars	March 31, 2023	March 31, 2022
Investments in equity instruments		
Unquoted, in subsidiaries (at cost)		
Sterling and Wilson (Thailand) Limited*	0.00	0.00
490 shares (31 March 2022: 490 shares) of 100 baht each, 25 baht paid-up		
Sterling and Wilson Saudi Arabia Limited	1.78	1.78
9,500 shares (31 March 2022: 9,500 shares) of Saudi Riyals 100 each, fully paid-up		
Sterling and Wilson International Solar FZCO	369.28	369.28
184,600 shares (31 March 2022: 184,600 shares) of AED 1,000 each, fully paid-up		
Esterlina Solar Engineers Private Limited	0.01	0.01
10,000 shares (31 March 2022: 10,000 shares) of ₹ 10 each, fully paid up		
Sterling and Wilson Solar LLC	1.92	1.92
105,000 shares (31 March 2022: 105,000 shares) of OMR 1 each, fully paid up		
Sub-total	**372.99**	**372.99**
Less: Provision for impairment toward investment in Sterling and Wilson (Thailand) Limited and Sterling and Wilson Saudi Arabia Limited	(1.78)	(1.78)
	371.21	**371.21**
The aggregate book value of unquoted non-current investments are as follows:		
Aggregate book value of unquoted non-current investments	372.99	372.99
Aggregate amount of impairment in value of non-current investments	1.78	1.78
Aggregate carrying amount of non-current investments	371.21	371.21

*Amount less than 0.01 crore

Investment in partnership firm

(i) Particulars of the Company's interest in

Name of Partnership firm	Percentage of ownership	Country of incorporation
Sterling Wilson-SPCPL-Chint Moroccan Venture	92%	India

(ii) The aggregate amount of assets, liabilities, income and expenses related to the above partnership firm as at 31 March 2023 and 31 March 2022 is as follows:

Particulars		March 31, 2023	March 31, 2022
i)	Assets	27.25	78.17
ii)	Liabilities	158.06	144.41
iii)	Income	3.96	-
iv)	Expenses (excluding Income tax expenses)	65.50	37.25
v)	Net (loss) / gain for the year	(61.53)	(37.25)

(iii) The Company's share of capital commitments of the partnership firm is ₹ Nil (31 March 2022: ₹ Nil).

(iv) The contingent liabilities of the partnerhip firm is ₹ 0.15 crore (31 March 2022: ₹ 0.13 crore).

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(v) The details of partners in the above partnership firm as at 31 March 2023 and 31 March 2022 are as under:

Name of Partners	Profit and loss sharing ratio	Capital as at 31 March 2023	Capital as at 31 March 2022
Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited)*	92%	-	-
Shapoorji Pallonji and Company Private Limited	5%	-	-
Astronergy Solar India Private Limited	3%	-	-

* Refer note 42 for capital commitment towards partner's capital contribution.

7 Other non-current financial assets

Particulars	March 31, 2023	March 31, 2022
Fixed deposits with banks * (due to mature after 12 months from reporting date)	10.00	4.00
Security deposit	1.06	0.77
	11.06	**4.77**

* The balance in deposit accounts of ₹ 10.00 crore (31 March 2022:₹ 4.00 crore) is held as margin money or security against the guarantees and other commitments.

8 Deferred tax assets (net)

Particulars	March 31, 2023	March 31, 2022
Deferred tax assets		
Employee benefits	7.28	8.35
Carryforward business loss	79.73	43.10
Unabsorbed depreciation	3.28	3.27
Expected credit loss on financial assets	9.49	13.68
Provision for mark to market losses on derivative instruments (net)	-	5.13
Provision for liquidated damages	-	29.53
Excess of depreciation as per Income tax Act, 1961 over book depreciation	-	0.01
Others	0.84	2.67
	100.62	**105.74**
Deferred tax liabilities		
Amortisation of expenses on demerger	(0.01)	(0.01)
Excess of depreciation as per book depreciation over Income tax Act, 1961	(0.01)	-
	(0.02)	**(0.01)**
Deferred tax assets (net)	**100.60**	**105.73**

*Amount less than ₹ 0.01 crore

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

9 Non current tax assets (net)

Particulars	March 31, 2023	March 31, 2022
Advance tax	61.35	42.21
	61.35	**42.21**

10 Other Non-current Assets

(Unsecured, considered good)

Particulars	March 31, 2023	March 31, 2022
To parties other than related parties		
Balance with government authorities	1.85	1.85
	1.85	**1.85**

11 Inventories

(valued at lower of cost or net realisable value unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Construction materials, stores and spare parts	0.43	2.76
Stock-in-trade	1.14	1.14
	1.57	**3.90**
Carrying amount of inventories (included above) pledged as securities for borrowings	1.57	3.90
The write-down /(reversal of write-down) of inventories to net realisable value during the year	-	-
Carrying amount of inventories (included above) in transit	-	-

12 Trade Receivables

(Unsecured)

Particulars	March 31, 2023	March 31, 2022
Trade Receivables		
- Considered good (refer note 53)	546.08	589.78
- Significant increase in credit risk	-	-
- Credit impaired	30.19	54.37
	576.27	**644.15**
Less: allowance*	(30.19)	(54.37)
	546.08	**589.78**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	142.60	164.04
Loss allowances	23.42	16.01

* The loss allowance on trade receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for trade receivables considered good on the basis that credit risk exists even though it may be very low.

The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 52 and 53, also refer note 54.

As at 31 March 2023, trade receivables includes retention of ₹ Nil (31 March 2022: ₹ Nil) relating to construction contracts in progress.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member

Particulars	March 31, 2023	March 31, 2022
Shapoorji Pallonji and Company Private Limited	35.57	57.31
Sterling and Wilson International Solar FZCO	0.62	0.30
Sterling and Wilson Private Limited	-	1.62
Sterling Generators Private Limited (formerly known as Sterling and Wilson Powergen Private Limited)	0.02	0.47
	33.21	**59.70**

Ageing for trade receivables outstanding as at 31 March 2023 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	111.18	5.83	80.02	6.18	342.87	546.08
Undisputed trade receivables - credit impaired	-	-	-	-	30.09	30.09
Disputed trade receivables - credit impaired	-	-	-	-	0.10	0.10
	111.18	**5.83**	**80.02**	**6.18**	**373.06**	**576.27**
Less: Loss allowances						(30.19)
						546.08

Ageing for trade receivables outstanding as at 31 March 2022 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	150.87	80.22	57.78	25.47	275.44	589.78
Undisputed trade receivables - credit impaired	-	-	-	-	22.69	22.69
Disputed trade receivables - credit impaired	-	-	-	-	31.68	31.68
	150.87	**80.22**	**57.78**	**25.47**	**329.81**	**644.15**
Less: Loss allowances						(54.37)
						589.78

13 Cash and Cash Equivalents

Particulars	March 31, 2023	March 31, 2022
Balances with Bank		
- in current accounts	22.33	344.50
Cash on hand	0.99	0.35
	23.32	**344.85**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

14 Bank balances other than cash and cash equivalents

Particulars	March 31, 2023	March 31, 2022
Balances with banks		
- in current accounts*	2.67	2.92
- Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)**	32.74	32.68
	35.41	**35.60**

* Current account balances with banks include ₹ 0.94 crore (31 March 2022: ₹ 1.34 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, an amount of ₹ 1.72 crore (31 March 2022: ₹ 1.57 crore) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (31 March 2022: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

** The balance in deposit accounts includes ₹ 32.74 crore (31 March 2022: ₹ 32.68 crore) is held as margin money or security against the guarantees and other commitments.

15 Loans (Current)

(Unsecured)

Particulars	March 31, 2023	March 31, 2022
Considered good		
To related parties		
Loans given to subsidiaries	1,260.11	152.92
Considered doubtful		
Loans given to subsidiaries	0.13	0.13
Less: Provision for doubtful loans	(0.13)	(0.13)
To parties other than related parties		
Loan to employees	2.03	1.04
	1,262.14	**153.96**

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2023	March 31, 2022
Loans given to subsidiaries		
Sterling and Wilson International Solar FZCO	1,222.04	110.66
Sterling and Wilson (Thailand) Limited	0.13	0.13
	1,222.17	**110.79**

16 Derivatives

Particulars	March 31, 2023	March 31, 2022
Foreign currency forward exchange contract assets	3.72	-
	3.72	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

17 Other Financial Assets

(Unsecured, considered good)

Particulars	March 31, 2023	March 31, 2022
To related parties		
Interest accrued on loan and amount recoverable from subsidiaries	75.12	7.63
Recoverable amounts from subsidiaries and others	194.48	718.60
Interest accrued on loan to subsidiaries	0.02	0.02
Less: Provision for impairment	(0.02)	(0.02)
To parties other than related parties		
(Unsecured, considered good)		
Security deposits	3.12	6.41
Other receivables*		
- Considered good (refer note 53 and 54)	597.06	607.12
- Significant increase in credit risk	-	-
- Credit impaired	7.50	-
Less: allowance**	(7.50)	-
	597.06	**607.12**
	869.78	**1,339.76**

* includes receivable towards encashment of irrevocable letter of credit, claim against suppliers, insurance claims, export incentives, bank guarantee invocation, recoverable from promoters not due etc.

**The loss allowance on other receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for other receivables considered good on the basis that credit risk exists even though it may be very low.

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2023	March 31, 2022
Interest accrued on loan and amount recoverable from subsidiaries		
Esterlina Solar Engineers Private Limited*	0.00	-
Sterling and Wilson International Solar FZCO	62.07	-
Sterling and Wilson (Thailand) Limited	0.02	0.02
	62.09	**0.02**
*Amount less than ₹ 0.01 crore		
Recoverable amounts from subsidiaries and others		
Shapoorji Pallonji and Company Private Limited	25.84	4.08
Sterling and Wilson International Solar FZCO	160.55	513.34
Sterling and Wilson Solar Australia Pty. Ltd.	0.31	183.00
Sterling and Wilson Co-Gen Solutions Private Limited	0.01	0.01
Sterling and Wilson Private Limited	-	10.05
	186.71	**710.48**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

18 Other Current Assets

(Unsecured, considered good)

Particulars	March 31, 2023	March 31, 2022
To related parties		
Unbilled receivables	0.69	1.01
Advances for supply of goods and services	22.52	40.20
To parties other than related parties		
Unbilled receivables	390.90	560.57
Advances for supply of goods and services	38.61	51.66
Balance with government authorities	278.05	293.80
Prepayments	4.22	3.31
Advance to employees	0.63	0.44
	735.62	**950.99**

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2023	March 31, 2022
Unbilled receivables		
Shapoorji Pallonji and Company Private Limited	0.55	0.97
Sterling Generators Private Limited	0.11	-
Sterling and Wilson Private Limited	0.03	0.03
	0.69	**1.00**
Advances for supply of goods and services		
Sterling and Wilson International Solar FZCO	22.52	20.28
GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	-	19.92
	22.52	**40.20**

19 Equity Share Capital

Particulars	March 31, 2023	March 31, 2022
Authorised		
500,000,000 equity shares of Re 1 each (31 March 2022: 500,000,000 equity shares of ₹ 1 each)	50.00	50.00
1,000,000 preference shares of ₹ 100 each (31 March 2022: 1,000,000 equity shares of ₹ 100 each)	10.00	10.00
Issued, subscribed and fully paid up:		
189,693,333 Equity shares of ₹ 1 each (31 March 2022: 189,693,333 equity shares of ₹ 1 each) fully paid-up	18.97	18.97
	18.97	**18.97**

(A) Reconciliation of shares outstanding at the beginning and at the end of reporting year:

Particulars	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
Equity shares				
Balance as at beginning and at the end of the year	189,693,333	18.97	160,360,000	16.04
Add: Equity share issued during the year	-	-	29,333,333	2.93
Balance as at the end of the year	**189,693,333**	**18.97**	**189,693,333**	**18.97**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(B) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(C) Shares held by holding company

During the year ended 31 March 2022, pursuant to the Share Subscription Agreement ("SSA") dated 10 October 2021 entered into between the Company, Shapoorji Pallonji and Company Private Limited ("SPCPL"), Mr. Khurshed Yazdi Daruvala and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) ("RNEL"), 29,333,333 equity shares were allotted by the Company on 30 December 2021 to RNEL on a preferential basis. Pursuant to the Share Purchase Agreement ("SPA") dated 10 October 2021 entered into between SPCPL, Mr. Khurshed Yazdi Daruvala and RNEL, SPCPL has sold 18,400,000 equity shares of the Company to RNEL on 6 January 2022. Also, pursuant to the open offer made by RNEL, 8,476,251 equity shares were acquired by RNEL on 28 January 2022. Further, SPCPL and Mr. Khurshed Yazdi Daruvala have sold 15,380,904 and 4,286,846 equity shares respectively to RNEL on 9 February 2022. On completion of all the above, RNEL holds 75,877,334 equity shares representing 40.00% of the total share capital of the Company as on date. Accordingly, effective 30 December 2021 the Company ceased to be a subsidiary of SPCPL.

(D) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	Number	% holding	Number	% holding
Equity shares				
Shapoorji Pallonji and Company Private Limited* (Refer note (C) above)	38,696,291	20.40%	47,329,886	24.95%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited)	75,877,334	40.00%	75,877,334	40.00%
Khurshed Daruvala, Chairman	7,943,662	4.19%	11,384,544	6.00%
Kainaz Khurshed Daruvala	13,000,200	6.85%	13,000,200	6.85%

* Shapoorji Pallonji and Company Private Limited sold 10,00,000 equity shares of the Company on 31 March 2023. However, the transaction was settled after 31 March 2023 and therefore not reflected in the Benificiary Position provided by the Depositories as on 31 March 2023.Thus, the above sale transaction is not reflected in the Shareholding pattern filed with BSE Ltd and National Stock Exchange of India Limited for the quarter ended 31 March 2023.

(E) Details of shares held by promoters

March 31, 2023

Promoter name	Number	% holding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Shapoorji Pallonji and Company Private Limited.* (Refer note (C) above)	38,696,291	20.40%	-4.55%	47,329,886	24.95%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited)	75,877,334	40.00%	0.00%	75,877,334	40.00%
Khurshed Daruvala, Chairman	7,943,663	4.19%	-1.81%	11,384,544	6.00%

*Shapoorji Pallonji and Company Private Limited sold 10,00,000 equity shares of the Company on 31 March 2023. However, the transaction was settled after 31 March 2023 and therefore not reflected in the Benificiary Position provided by the Depositories as on 31 March 2023.Thus, the above sale transaction is not reflected in the Shareholding pattern filed with BSE Ltd and National Stock Exchange of India Limited for the quarter ended 31 March 2023.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

March 31, 2022

Promoter name	Number	% holding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Shapoorji Pallonji and Company Private Limited (Refer note (C) above)	47,329,886	24.95%	-25.63%	81,110,790	50.58%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited)	75,877,334	40.00%	40.00%	-	0.00%
Khurshed Daruvala, Chairman	11,384,544	6.00%	-3.77%	15,671,390	9.77%

(F) Equity Shares allotted as fully paid-up without payment being received in cash

During the year ended 31 March 2018:

a) 16,036,000 equity shares were issued without payment being received in cash pursuant to the scheme of arrangement of merger of the Solar EPC ("S-EPC") business of Sterling and Wilson Private Limited along with certain subsidiaries engaged in the S-EPC business with the Holding Company.

b) 3,558 equity shares were issued without payment being received in cash on conversion of loan to equity.

(G) Employee stock option

On 27 March 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on 30 May 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective 15 July 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e. 15 July 2021. Refer note 44 for disclosure on share based payments.

20 Other Equity

Particulars	Note	March 31, 2023	March 31, 2022
Capital reserve on demerger	(i)	(181.74)	(181.74)
Capital redemption reserve*	(ii)	0.00	0.00
Securities premium reserve	(iii)	1,087.12	1,087.12
Employee stock option reserve	(iv)	7.03	3.71
Retained earnings	(v)	211.10	566.64
Effective portion of cash flow hedge	(vi)	3.72	(15.25)
Exchange difference on translating the financial statement of foreign operations	(vii)	22.79	21.78
		1,150.01	**1,482.26**

Particulars	March 31, 2023	March 31, 2022
(i) Capital reserve on demerger		
Balance as at the beginning of the year	(181.74)	(181.74)
Add: Acquired pursuant to scheme of arrangement (refer note 4)	-	-
Balance as at the end of the year	**(181.74)**	**(181.74)**
(ii) Capital redemption reserve*		
Balance as at the beginning of the year	0.00	0.00
Add: Transferred from retained earnings	-	-
Balance as at the end of the year	**0.00**	**0.00**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Particulars	March 31, 2023	March 31, 2022
(iii) Securities premium reserve		
Balance as at the beginning of the year	1,087.12	-
Add : Acquired pursuant to scheme of arrangement (refer note 4)	-	-
Add: Addition during the year (net of share issue expenses)	-	1,087.12
Balance as at the end of the year	**1,087.12**	**1,087.12**
(iv) Employee stock option reserve		
Balance as at the beginning of the year	3.71	-
Add : Acquired pursuant to scheme of arrangement (refer note 4)	-	-
Add: Addition during the year	3.32	3.71
Balance as at the end of the year	**7.03**	**3.71**
(v) Retained earnings		
Balance as at the beginning of the year	566.64	733.71
Add: (Loss) / Profit for the year	(355.02)	(167.52)
Less: Transferred to Capital Redemption Reserve	-	-
Less: Remeasurements of defined benefit liability, net of tax (refer note (vi) below)	(0.52)	0.45
Less: Appropriations for dividend and dividend distribution tax (refer note (vii) below)	-	-
Balance as at the end of the year	**211.10**	**566.64**
(vi) Effective portion of cash flow hedge		
Balance as at the beginning of the year	(15.25)	(67.72)
Gain/(losses) on hedging instruments in cash flow hedges, net of tax	34.47	11.22
Effective portion of (gain)/losses on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	(15.50)	41.25
Balance as at the end of the year	**3.72**	**(15.25)**
(vii) Exchange difference on translating the financial statement of foreign operations		
Balance as at the beginning of the year	21.78	11.69
Add: Exchange difference on translation of foreign operations arisen during the year	1.01	10.09
Balance as at the end of the year	**22.79**	**21.78**
Total	**1,150.01**	**1,482.26**

*Amount less than ₹ 0.01 crore

(i) Capital reserve on demerger

The Company's capital reserve on demerger is on account of the difference between the net assets and liabilities taken over relating to the Solar-EPC business pursuant to the scheme of arrangement.

(ii) Capital redemption reserve

Capital redemption reserve comprises of an amount equal to nominal value of Class B share bought back out of free reserves of Sterling & Wilson - Waaree Private Limited ('SWWPL'), SWWPL has been merged with the Company effective from 1 April 2020. Capital redemption reserve is created out of profits available for distribution towards buy back of equity share of the SWWPL. This reserve can be used for the purpose of issue of Bonus shares.

(iii) Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(iv) Employee stock option reserve

Employee stock option reserve represents the cumulative amounts charged to profit in respect of employee share option arrangements where the scheme has not yet been settled by means of an award of shares to an employees.

(v) Retained earnings

Retained earnings are the (loss) / profits that the Company has incurred / earned till date, less any transfers to general reserve, dividends or other distributions paid to the owners of the Company and also includes Remeasurements of defined benefit liability, net of tax.

(vi) Effective portion of cash flow hedge

The Company has designated its hedging instruments as cash flow hedges and any effective portion of cash flow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the standalone statement of profit and loss. On settlement of the hedging instruments, the balance is re-cycled to the standalone statement of profit and loss.

(vii) Exchange difference on translating the financial statement of foreign operations

These comprise of all exchange differences arising from translation of financial statements of foreign operations.

Analysis of accumulated Other comprehensive income, net of tax

Remeasurement of Defined Benefit Liability

Particulars	March 31, 2023	March 31, 2022
Opening balance	(1.68)	(2.13)
Gain / (Loss) on remeasurement of defined benefit liability, net of tax	(0.52)	0.45
Closing balance	**(2.20)**	**(1.68)**

21 Borrowings (Non-current)

Particulars	March 31, 2023	March 31, 2022
Term loan from Banks (refer note (a) below)	800.00	-
Less: Current maturities of term loans from banks	(100.00)	-
	700.00	-
Term loans from financial institution (refer note (b) below)	100.00	-
Less: Current maturities of term loans from financial institution	(100.00)	-
	-	-
	700.00	**-**

Details of the security and repayment terms :

(a) Long-term debt from State Bank of India Limited, ICICI Bank Limited, IndusInd Bank Limited and IDFC First Bank Limited with carrying amount aggregating to ₹ 800 crore (31 March 2022: Nil); The loans carry a variable interest rate ranging from 8.20% p.a. to 9.50% p.a. (31 March 2022: Nil). The loans are secured by second pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. The loans are for a period of 365 to 1,460 days and are repayable in quarterly instalments ranging from 4-12 instalments.

(b) Long-term debt from Arka Fincorp Limited as at 31 March 2023 amounting to ₹ 100 crore (31 March 2022: Nil). The loan carries an interest rate of 10.90% p.a. (31 March 2022: Nil). The loan is secured by second pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. The loan is for a period of 365 days and is repayable in three instalments.

(c) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

22 Provisions (Non-current)

Particulars	March 31, 2023	March 31, 2022
Provision for employee benefits		
Gratuity (refer note 43)	14.02	9.56
Other provisions		
Others	-	11.00
	14.02	**20.56**

Others: The provisions for indirect taxes comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Provision for:	March 31, 2023	March 31, 2022
As at the beginning of the year	11.00	11.00
Add: Additions during the year (including foreign exchange adjustments)	-	-
Less: Write back/ Utilisation during the year (including foreign exchange adjustments)	(11.00)	-
As at the end of the year	**-**	**11.00**

23 Borrowings (Current)

Particulars	March 31, 2023	March 31, 2022
Secured		
Cash credit loan (refer note (a) below)	42.08	46.37
Working capital loan from banks (refer note (b) below)	241.42	264.72
Loan from bank (refer note (c) below)	600.00	-
Current maturities of term loans from banks (refer note 21 (a) above)	100.00	-
Current maturities of term loans from financial institution (refer note 21 (b) above)	100.00	-
Unsecured		
Commercial papers (refer note (d) below)	9.60	-
Loan from related parties (refer note (e) below)	0.20	-
Supplier credit facilities (refer note (f) below)	46.88	42.14
	1,140.18	**353.23**

Details of the security and repayment terms :

(a) Secured Cash Credit facilities from banks under consortium arrangement carrying amount as at 31 March 2023 of ₹ 42.08 Crore (31 March 2022: ₹ 46.37 Crore). The bank includes Union Bank of India, State Bank of India, IDBI Bank Limited, Axis Bank Limited, IndusInd Bank Limited, and Yes Bank Limited. The lead bank for the consortium arrangement is Union Bank of India. The Cash Credit is repayable on demand and carries a variable interest rate of 8.55% p.a. to 12.50% p.a. (31 March 2022: 8.45% p.a. to 12.00% p.a.). The Cash Credit is secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company.

(b) Secured Working Capital Loans from banks under consortium arrangement carrying amount as at 31 March 2023 of ₹ 241.42 Crore (31 March 2022 of ₹ 264.72 Crore), the banks include Union Bank of India, State Bank of India, IDBI Bank Limited, DBS Bank India Limited, IDFC First Bank Limited, Yes Bank Limited and ICICI Bank Limited, the lead bank for the consortium arrangement is Union Bank of India. The loans carry a variable interest rate which ranges from 8.50% p.a. to 12.50% p.a. (31 March 2022: 8.45% p.a. to 12.50% p.a). The loans are secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. Working Capital Loan

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

is subject to repayment / roll-over on due date, for a period of 30-180 days based on sanctioned terms and conditions.

(c) Secured Working Capital term loans from IDBI Bank Limited, DBS Bank India Limited, Yes Bank Limited with carrying amount as at 31 March 2023 aggregating to ₹ 600 Crore (31 March 2022: ₹ Nil). The loans carry a variable interest rate ranging from 8.90% p.a. to 9.60% p.a. (31 March 2022: Nil). The loans are secured by second pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. The loans are for a period of 365 days and are repayable in a single bullet repayment at end of the period.

(d) Unsecured Unlisted Commercial Paper from Siddhesh Capital Market Services Private Limited having carrying amount as at 31 March 2023 of ₹ 9.60 crore (31 March 2022: Nil) carries a discount rate of 9.50% p.a. The commercial paper is repayable on 14 September 2023.

(e) Unsecured loan from Esterlina Solar Engineers Private Limited having carrying amount as at 31 March 2023 of ₹ 0.20 crore (31 March 2022 ₹ Nil) carries a fixed interest of 11.00% p.a.. The loan is repayable on demand.

(f) Unsecured Supplier credit facilities from Oxyzo Financial Services Private Limited and OFB Tech Private Limited, carrying amount as at 31 March 2023 of ₹ 46.88 crore (as at 31 March 2022: ₹ 42.14 crore) carries an interest rate of 12.80% p.a. (31 March 2022: 12.00% p.a.) and is repayable within 120 days from draw down date.

(g) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.

(h) The Company has been sanctioned working capital from banks on the basis of security of current assets and moveable fixed assets (excluding leasehold improvements and capital work-in-progress). The Company in this regard has been duly submitting with all such banks from whom such facilities are taken, the quarterly statements as per the terms of the sanction. The said quarterly statements are in agreement with the books of account of the Company of the respective quarters at the point of time of reporting.

24 Trade Payables

Particulars	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	9.72	19.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	315.05	1,415.97
Acceptances *	4.14	8.25
	328.91	**1,443.38**

*Acceptances are repayable within a period of 180 days from the date of acceptance.

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

Particulars	March 31, 2023	March 31, 2022
The principal amount remaining unpaid to any supplier as at the end of each accounting year	9.72	19.16
Interest due thereon	-	0.06
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the each accounting year	4.59	4.59
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	Nil	Nil

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Ageing for trade payables outstanding as at 31 March 2023 is as follows:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	0.01	6.26	1.90	0.57	0.98	9.72
Undisputed dues - Others	106.38	77.67	59.84	15.35	31.54	24.27	315.05
Disputed dues - Others	-	-	-	-	-	-	-
Acceptances	-	4.14	-	-	-	-	4.14
	106.38	**81.82**	**66.10**	**17.25**	**32.11**	**25.25**	**328.91**

Ageing for trade payables outstanding as at 31 March 2022 is as follows:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	15.09	2.24	0.84	0.58	0.41	19.16
Undisputed dues - Others	16.87	169.25	643.33	318.47	135.41	132.64	1,415.97
Disputed dues - Others	-	-	-	-	-	-	-
Acceptances	-	8.25	-	-	-	-	8.25
	16.87	**192.59**	**645.57**	**319.31**	**135.99**	**133.05**	**1,443.38**

25 Derivatives

Particulars	March 31, 2023	March 31, 2022
Foreign currency forward exchange contract liabilities	-	20.37
	-	**20.37**

26 Other Financial Liabilities

Particulars	March 31, 2023	March 31, 2022
To related parties		
Payable on transfer of liabilities *	1.36	1.36
Interest accrued and not due	-	1.86
Other payables **	6.60	-
Employee benefits payable	0.26	-
To parties other than related parties		
Interest accrued and due :		
- to micro enterprises and small enterprises (refer note 24)	4.59	4.59
Interest accrued and not due		
- to others	0.54	0.31
- to banks	2.62	0.90
Payable towards buy-back of Equity share ****	0.00	0.00
Employee expense payable	3.02	2.25
Employee benefits payable	15.01	14.09
Other payables ***	121.33	53.12
	155.33	**78.48**

* Payable to Sterling and Wilson Private Limited on account of transfer of branch w.e.f 1 January 2019

** Payable to subsidiary towards legal fees.

***Includes share of loss in partnership firm and encahsment of bank guarantee of vendor etc.

**** Amounts less than ₹ 0.01 crore

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

27 Other current liabilities

Particulars	March 31, 2023	March 31, 2022
To parties other than related parties		
Advances from customers	498.59	383.46
Statutory dues payable :		
- Tax deducted and collected at source payable	1.93	1.83
- Goods and services tax payable	1.30	1.81
- Fringe benefit tax payable	0.76	0.07
- Provident fund payable	2.17	1.86
- Profession tax payable	0.03	0.03
- Employees State Insurance payable	0.06	0.23
- Value added tax payable	0.81	4.62
	505.65	**393.91**

28 Provisions (Current)

Particulars	March 31, 2023	March 31, 2022
Provision for employee benefits		
Gratuity (refer note 43)	0.33	0.22
Compensated absences (refer note 43)	21.52	21.15
Other provisions		
Provision for liquidated damages (refer note 53)	1.06	129.38
Provision for foreseeable loss/onerous contracts	2.91	-
Others	2.07	4.76
	27.89	**155.51**

Provision for liquidated damages:

Liquidated damages are contractual obligations affecting the contract revenue in case of the works contracts with customers arising as a result of penalties from delays caused in the completion of a contract. For contracts delayed beyond the stipulated contract completion periods, management has estimated the liability that could arise on these contracts.

Provision for foreseeable loss/onerous contracts:

In case of construction contracts, when it is probable that total contract costs will exceed total contract revenue, the expected loss (foreseeable loss) is recognised as an expense immediately in the statement of profit and loss.

Others:

Others include provision made towards Corporate social responsibility as per the requirements of Companies Act, 2013.

Provision for:	Liquidated damages	Foreseeable loss / Onerous contracts	Others
As at 1 April 2022	129.38	-	4.76
Add: Additions during the year (including foreign exchange adjustments)	1.06	2.91	
Less: Write back/ Utilisation during the year (including foreign exchange adjustments)	(129.38)	-	(2.69)
As at 31 March 2023	**1.06**	**2.91**	**2.07**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Provision for:	Liquidated damages	Foreseeable loss / Onerous contracts	Others
As at 1 April 2021	67.80	0.22	4.56
Add: Additions during the year (including foreign exchange adjustments)	61.58	(0.22)	3.19
Less: Write back during the year (including foreign exchange adjustments)	-	-	2.99
As at 31 March 2022	**129.38**	**-**	**4.76**

29 Current tax liabilities (net)

Particulars	March 31, 2023	March 31, 2022
Provision for current tax	4.91	-
	4.91	**-**

30 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of services		
Income from works contracts	1,287.94	3,261.38
Revenue from operation and maintenance services	168.66	196.65
Other operating income		
Sale of scrap	1.31	1.55
	1,457.91	**3,459.58**

31 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income under the effective interest method on:		
- deposits with banks	3.73	1.68
- other receivable and loan to subsidiaries	82.41	69.98
- loan to employees	0.05	0.01
- receivable from customers	-	0.32
Expected credit loss on financial assets no longer required (Refer note 53)	31.58	-
Insurance claim received	-	5.23
Mark-to-market gains on derivative instruments (net)	15.50	-
Liabilities no longer required (Refer note 53)	59.83	-
Export incentive	1.19	0.03
Profit on sale of property, plant and equipments (net)	0.06	-
Other miscellaneous income	19.91	25.06
	214.26	**102.31**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

32 Cost of construction materials, stores and spare parts

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory of materials at the beginning of the year	2.76	1.95
Add: Purchase during the year	898.21	1,682.51
Less : Inventory of materials at the end of the year	0.43	2.76
	900.54	**1,681.70**

33 Changes in inventories of stock-in-trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory of stock-in-trade at the beginning of the year	1.14	1.14
Inventory of stock-in-trade at the end of the year	1.14	1.14
Increase / Decrease in inventory	**-**	**-**

34 Direct project costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Communication expenses	1.65	2.48
Stores and spare parts consumed	7.01	9.67
Legal and professional fees	10.86	11.26
Printing and stationery expenses	0.38	0.89
Insurance costs	5.17	5.01
Repairs and maintenance - others	7.12	12.73
Selling and marketing expenses	6.34	0.04
Traveling and conveyance expenses	4.67	11.05
Rent (refer note 51)	22.86	34.54
Rates and taxes	0.56	1.57
Electricity, power and fuel	5.61	4.12
Liquidated damages	-	3.12
Bank charges	32.40	64.44
Provision for foreseeable loss	3.93	-
Security Charges	21.46	24.04
Miscellaneous expenses	50.44	32.48
	180.46	**217.44**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	83.81	131.59
Contribution to provident fund and other funds (refer note 43)	4.85	8.09
Staff welfare expenses	9.24	29.42
	97.90	**169.10**
Sub-contractor expenses	411.18	1,283.94
	689.54	**1,670.48**

35 Employee benefits expense*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	118.44	105.77
Contribution to provident fund and other funds (refer note 43)	9.13	7.93
Gratuity (refer note 43)	5.47	2.27
Compensated absences (refer note 43)	5.84	3.76
Staff welfare expenses#	5.18	5.10
	144.06	**124.83**

* Salaries, wages and bonus, Contribution to funds and Staff welfare expenses are net of ₹ 97.90 crore (31 March 2022: ₹ 169.10 crore), which pertain to site staff and are transferred to Direct project cost.

Includes ₹ 2.04 crore (31 March 2022: ₹ 2.32 crore) towards share based payments to employees, (Refer note 44)

36 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense		
- on secured loans	99.16	37.10
- on unsecured loans	3.34	13.60
- on dues of micro enterprises and small enterprises	-	0.06
- on lease liabilities	1.20	0.69
- on income tax and indirect taxes	0.16	1.11
- on others	12.87	11.21
Other borrowing costs	24.37	11.57
	141.10	**75.34**

37 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	4.36	5.84
Depreciation on Right-of-use assets	1.30	0.75
Amortisation of intangible assets	1.03	1.31
	6.69	**7.90**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

38 Other Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Communication expenses	0.88	1.42
Stores and spare parts consumed	1.28	0.03
Legal and professional fees	16.25	18.87
Printing and stationery expenses	0.27	0.15
Insurance costs	2.74	3.49
Repairs and maintenance - others	10.37	5.45
Selling and marketing expenses	0.78	4.41
Traveling and conveyance expenses	9.42	3.82
Rent (refer note 51)	6.29	6.34
Rates and taxes	2.75	2.81
Electricity, power and fuel	0.42	0.25
Payment to auditors (refer note (a) below)	1.70	0.75
Foreign exchange loss (net)	-	28.75
Donation	0.10	-
Management support fees	-	1.98
Business support services charges	5.05	12.40
Bank charges (net)	2.35	5.34
Security Charges	0.11	0.34
Corporate social responsibility expenses (refer note 47)	0.56	4.01
Bad debts written off	0.58	-
Share of loss in partnership firm	56.59	34.27
Expected credit loss on financial assets	14.90	12.93
Mark-to-market losses on derivative instruments (net)	-	55.15
Miscellaneous expenses	3.74	4.10
	137.21	**207.06**

(a) Payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
Statutory audit	1.14	0.74
In other capacity		
Tax audit	0.05	0.04
Taxation services	0.37	0.11
Certification services	0.08	0.16
Reimbursement of expenses	0.06	0.03
Others*	0.08	-
	1.78	**1.08**

*Paid to Deloitte Touche Tohmatsu India LLP for services provided upto 30 September 2022.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

39 Income Taxes

a) Amount recognised in the Standalone statement of profit and loss

Particulars	31 March 2023	31 March 2022
Current tax expense :		
Current year	6.00	-
Tax adjustments in respect of earlier years	2.05	4.81
	8.05	**4.81**
Deferred tax charge :		
Origination and reversal of temporary differences	-	(42.71)
	-	**(42.71)**
Tax expenses for the year	**8.05**	**(37.90)**

b) Income tax recognised in other comprehensive income

Particulars	March 31, 2023		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to Standalone statement of profit or loss			
Remeasurement (losses) on post employment defined benefit plan	(0.52)	-	(0.52)
Items that will be reclassified to Standalone statement of profit or loss			
Effective portion of (losses) on hedging instruments in cash flow hedges	39.59	(5.13)	34.46
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss	(15.50)	-	(15.50)
Exchange differences in translating financial statements of foreign operations	1.01	-	1.01

Particulars	March 31, 2022		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to Standalone statement of profit or loss			
Remeasurement (losses) on post employment defined benefit plan	0.60	(0.15)	0.45
Items that will be reclassified to Standalone statement of profit or loss			
Effective portion of (losses) on hedging instruments in cash flow hedges	14.99	(3.77)	11.22
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss	55.13	(13.88)	41.25
Exchange differences in translating financial statements of foreign operations	10.09	-	10.09

c) Reconciliation of effective tax rate

Particulars	31 March 2023	31 March 2022
(Loss) before tax	(346.97)	(205.42)
Tax using the Company's domestic tax rate 25.168% (31 March 2022: 25.168%)	(87.33)	(51.70)
Tax effect of:		
Current year losses on which no deferred tax is recognised	72.83	-
Non-deductible expenses	14.50	11.25
Deferred tax credit not recognised previously	-	(2.26)
Tax relating to previous period	2.05	4.81
Taxes on profitable branches	6.00	-
Effective tax amount	**8.05**	**(37.90)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

d) The major components of deferred tax (liabilities) / assets arising on account of timing differences are as follows:

Movement in deferred tax balances for the year ended 31 March 2023

Particulars	Balance as on 1 April 2022	Recognised in profit or loss during the year	Other adjustments/ Forex	Recognised in OCI during the year	Balance as at 31 March 2023
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	0.01	(0.02)	-	-	(0.01)
Carryforward business loss	43.10	36.63	-	-	79.73
Unabsorbed depreciation	3.27	0.01	-	-	3.28
Expected credit loss on financial assets	13.68	(4.20)	-	-	9.49
Employee benefits	8.35	(1.07)	-	-	7.28
Provision for mark to market losses on derivative instruments	5.13	0.01	-	(5.14)	-
Amortisation of expenses on demerger	(0.01)	0.00	-	-	(0.01)
Provision for liquidated damages	29.53	(29.53)	-	-	-
Amortisation of preliminary expenses*	0.00	(0.00)	-	-	-
Other adjustments	2.67	(1.83)	-	-	0.84
Net deferred tax asset	**105.73**	**0.01**	**-**	**(5.14)**	**100.60**

*Amount less than 0.01 crore

Movement in deferred tax balances for the year ended 31 March 2022

Particulars	Balance as on 1 April 2021	Recognised in profit or loss during the year	Other adjustments/ Forex	Recognised in OCI during the year	Balance as at 31 March 2022
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	(0.49)	0.50	-	-	0.01
Carry forward business loss	17.77	25.33	-	-	43.10
Unabsorbed depreciation	1.95	1.32	-	-	3.27
Expected credit loss on financial assets	10.43	3.25	-	-	13.68
Employee benefits	8.15	0.35	-	(0.15)	8.35
Provision for mark to market losses on derivative instruments	-	22.78	-	(17.65)	5.13
Fair valuation of financial assets	22.77	(22.77)	-	-	-
Amortisation of expenses on merger*	(0.01)	0.00	-	-	(0.01)
Provision for liquidated damages	17.54	12.03	(0.04)	-	29.53
Amortisation of preliminary expenses*	0.00	(0.00)	-	-	-
Other adjustments	2.75	(0.08)	-	-	2.67
Net deferred tax asset	**80.86**	**42.71**	**(0.04)**	**(17.80)**	**105.73**

Deferred tax assets for the carry forward of unused tax losses and unabsorbed depreciation are recognised as it is probable that future taxable profits will be available against which the unused tax losses and unabsorbed depreciation can be utilised.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

31 March 2023

e) Unrecognised deferred tax assets

Deferred tax assets have not been recognised during the year in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

	31 March 2023		31 March 2022	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Carry forward losses	289.64	72.90	-	-
Unabsorbed depreciation	5.44	1.37	-	-
Total	**295.08**	**74.27**	**-**	**-**

As included in the table above, the Company, is subject to income tax in accordance with the Income Tax Act, 1961. Since the Company had incurred losses in the previous years, the management had decided not to consider the potential deferred tax assets arising from carry forward tax losses in absence of convincing evidence that future profitability will be consistently demonstrated.

Tax losses carried forward

	Year ended 31 March 2023	Expiry date	Year ended March 31, 2022	Expiry date
Expire	606.45	2029-32	171.24	2029-31
	606.45		**171.24**	
Never expire	18.48		12.98	

40 Earnings per share

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Basic and diluted earnings per share			
Numerator:			
(Loss) / Profit after tax attributable to equity shareholders	A	(355.02)	(167.52)
Denominator:			
Calculation of weighted average number of equity shares			
Number of equity shares at the beginning of the year		189,693,333	160,360,000
Add: Issued during the year		-	29,333,333
Number of equity shares outstanding at the end of the year		189,693,333	189,693,333
Weighted average number of equity shares outstanding during the year (based on date of issue of shares)	B	189,693,333	167,753,607
Basic and diluted earnings per share (₹)	A / B	(18.72)	(9.99)
Face value per share		1.00	1.00

Notes:

1 The Company has incurred a loss for the year ended 31 March 2023 and accordingly, the effect of potential equity shares to be issued would be anti-dilutive.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

41 Financial ratios

Ratios	Definition of ratio	31 March 2023	31 March 2022	Change	% Change	Reason for variance
Current ratio (times)	Current assets / Current liabilities	1.61	1.40	0.21	14.97%	
Debt-equity ratio (times)	Total Borrowings / Total equity	1.57	0.24	1.33	554.17%	Refer note (a)
Debt service coverage ratio (times)	Loss before depreciation and amortisation, Finance cost / ((Finance cost) + (Secured current borrowings, excluding loan from related parties + Commercial paper))	(0.21)	(1.28)	1.07	-83.59%	Refer note (b)
Return on equity ratio (%)	Net profit after tax / Average Total equity	-26.59%	-16.64%	(0.10)	59.80%	Refer note (c)
Inventory turnover ratio (times)	Not applicable				-	Refer note (d)
Trade receivables turnover ratio (times)	Revenue from operations / Average trade receivables	2.57	5.09	(2.52)	-49.51%	Refer note (e)
Trade payables turnover ratio (times)	Total expenses excluding employee benefits expenses, finance costs and depreciation and amortisation expense / Average trade payables	1.84	1.77	0.07	3.95%	
Net capital turnover ratio (times)	Revenue from operations / Working capital (excluding borrowings)	0.59	2.61	(2.02)	-77.39%	Refer note (f)
Net profit ratio (times)	Profit after tax / Revenue from operations	(0.24)	(0.05)	(0.19)	380.00%	Refer note (g)
Return on capital employed (%)	Earnings before interest and taxes / Average capital employed	-10.89%	-15.12%	4.23%	-27.98%	Refer note (h)
Return on investment	Not applicable	-	-	-	-	Refer note (i)

Notes:

(a) Increase in Debt Equity ratio is mainly on account of increase in borrowings during the year to meet the working capital requirement of the Company and its subsidiaries along with reduction in project margins caused by enhanced sub-contractor costs and overheads which reduced the equity base.

(b) Debt Service Coverage ratio has worsened on account of increase in loss at an EBITDA level coupled with increase in borrowings during the year to meet the working capital requirement of the Company and its subsidiaries.

(c) Reduction in return on equity ratio is mainly on account of loss for the year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(d) The Company is not engaged in the business of manufacturing or trading of goods or services and consequently this ratio is not applicable.

(e) Delay in collection of old receivables coupled with the lower turnover during the year had a consequent effect on the trade receivable to turnover ratio.

(f) Delay in collection from customer, reduction in trade payables and reduction in turnover during the year resulted in this ratio.

(g) Lower gross margin on account of enhanced sub-contractor costs and overheads due to project delays alongwith increase in interest costs resulted in this ratio.

(h) Reduction in revenue coupled with lower gross margin on account of enhanced sub-contractor costs and overheads resulted in this ratio.

(i) The Company does not have return bearing investments and hence the ratio is not applicable.

42 Contingent Liabilities and Commitments

Particulars	31 March 2023	31 March 2022
Contingent liabilities (Refer note 53)		
(a) The Claim against the Company under Andhra Pradesh Goods and Services Tax Act, 2017, Rajasthan Goods and Services Tax Act, 2017, Gujarat Goods and Services Tax Act 2017 demanding tax, penalty and interest (net of provision) *	345.04	249.41
(b) Demand raised by Income Tax authorities	14.14	66.63
(c) Demand raised by Egypt VAT inspection authority	30.95	56.19
(d) Liquidated damages not acknowledged as debt (net of provision)	495.95	608.78
	886.08	**981.01**

* The demand was raised on Sterling and Wilson Private Limited ('SWPL') by Authorities. However, pursuant to the Scheme of Arrangement, the business of the Company was held in trust by Sterling and Wilson Private Limited ('SWPL') with effect from 9 March 2017 to 28 March 2018 (the date on which Scheme become approved by regulatory authorities). Accordingly, the contingent liability is considered in the books of the Company.

Particulars	31 March 2023	31 March 2022
Capital and other commitments		
Capital Commitment towards partner's capital contribution in Sterling Wilson - SPCPL - Chint Moroccan Venture	0.01	0.01
Capital commitment (net of advances) for procurement of property, plant and equipment	0.32	0.23
Unspent Corporate Social Responsibilty amount (Refer note 47)	2.10	-
	2.43	**0.24**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Other commitments

a) The Company has issued letters of undertaking to provide need based financial support to its subsidiaries Sterling and Wilson Saudi Arabia Limited and Sterling and Wilson Solar LLC, Oman.

b) The Company had issued corporate guarantee to Emirates NBD Bank PJSC, Dubai, ('Bank') and outstanding as at 31 March 2023 is AED 18.30 crore (₹ 409.40 crore) (31 March 2022: AED 18.30 crore (₹ 376.21 crore)) in respect of borrowing facility to be extended by Bank to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till 12 November 2023.

c) The Company had issued corporate guarantee to Union Bank of India, DIFC Branch ('UBI') and outstanding as at 31 March 2023 is USD 7.00 crore (₹ 575.15 crore) (31 March 2022: USD 7.00 crore (₹ 528.64 crore)) in respect of borrowing facility to be extended by the UBI to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till 1 March 2025.

d) The Company had issued corporate guarantee to The Hongkong and Shanghai Banking Corporation Limited ('HSBC') and outstanding as at 31 March 2023 is AUD 1.70 crore (₹ 93.57 crore) (31 March 2022: AUD 1.70 crore (₹ 96.16 crore)) in respect of borrowing facility to be extended by HSBC to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till 30 August 2023.

e) The Company had signed Corporate Guarantee cum Indemnity Agreement dated 30 March 2022 with its wholly owned subsidiary Sterling and Wilson International Solar FZCO in respect of the Indemnity Agreement signed by the Company with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) and outstanding amount as at 31 March 2023 is USD 4.68 crore (₹ 384.53 crore) (31 March 2022: USD 4.68 crore (₹ 353.75 crore)). Also Refer Note 53.

f) During the year, the Company has issued corporate guarantee to Intesa Sanpaolo, Dubai branch and outstanding as at 31 March 2023 is USD 1.70 crore (₹ 139.68 crore) in respect of borrowing facility to be extended by Intesa Sanpaolo to the Company's subsidiary, Sterling and Wilson International Solar FZCO. The corporate guarantee shall be valid till 25 March 2024.

g) During the year the Company has issued a Corporate Guarantee amounting to USD 1.25 crore (₹ 102.37 crore) to Atlantic Insurance Company, USA to enable it to issue a surety bond on behalf of the Company's step down subsidiary, Sterling and Wilson Solar Solutions Inc. The surety bond shall be valid till 16 January 2027.

h) The Hon'ble Supreme Court of India ("SC") by it's order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In the view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

i) A customer in respect of a 93.30 MW DC Photovoltaic solar energy generation facility has initiated Arbitration proceedings for recovery of liquidated damages levied and (unsubstantiated) costs amounting to ₹ 255.10 crore (31 March 2022: ₹ 234.70 crore). The Company has responded to the same as part of the proceedings. As on date the customer owes to the Company an overdue amount of ₹ 133.95 crore (31 March 2022: ₹ 123.24 crore) towards EPC work with a further amount of ₹ 6.84 crore (31 March 2022: ₹ 6.29 crore) towards unbilled receivable, pending certification of final invoice. The Company has also made a claim of ₹ 78.84 crore (31 March 2022: ₹ 66.39 crore) towards prolongation cost, interest on overdue payment and other ancillary costs on the customer. Basis the contractual rights available, the management is confident of full recovery of the receivables and unbilled revenue as at 31 March 2023 and accordingly believes that no further provision is required pertaining to liquidated damages and costs as claimed by the customer. These amounts are covered under indemnity from the promotors of the Company (Refer note 53)

j) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its standalone financial statements. The Company's management does not reasonably expect that these legal notices, when ultimately concluded and determined, will have a material and adverse effect on Company's results of operations or financial condition.

43 Employee Benefits

Defined contribution plan:

Contribution to provident fund, Employee State Insurance Scheme and other funds aggregating to ₹ 13.98 crore (31 March 2022: ₹ 16.02 crore) is recognised as an expense and included in 'Employee benefits expenses'.

Defined benefit plan and long-term employee benefits:

General description

Gratuity (Defined benefit plan)

In accordance with Indian law, the Company has a defined benefit gratuity plan. Every employee in India who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn basic salary) for each completed year of service.

Compensated absences (Long-term employee benefits)

Long term leave wages are payable to all eligible employees at the rate of daily gross salary for each day of accumulated leave on death or on resignation or upon retirement.

Change in the present value of the defined benefit obligation

Particulars		31 March 2023	31 March 2022
I	**Reconciliation of the present value of defined benefit obligation**		
	Balance at the beginning of the year	9.84	9.80
	Benefits paid	(2.20)	(1.59)
	Current service cost	1.44	1.59
	Past Service Cost- Vested Benefits	3.29	-
	Net Interest cost	0.72	0.68
	Liability transferred in / acquisitions	0.73	0.18
	Liability transferred out*	(0.00)	(0.22)
	Actuarial (gains) losses recognised in other comprehensive income		
	- changes in demographic assumptions	-	(0.02)
	- changes in financial assumptions	(0.40)	(0.54)
	- experience adjustments	0.93	(0.04)
	Balance at the end of the year	**14.35**	**9.84**

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Particulars		31 March 2023	31 March 2022
II	**Amount recognised in the standalone statement of profit and loss under employee benefits expense**		
	Current service cost	1.44	1.59
	Net interest cost	0.72	0.68
	Additional charge recognised during the year	3.31	-
		5.47	**2.27**
III	**Remeasurement recognised in other comprehensive income**		
	Actuarial (losses)/gains on obligation for the year	(0.52)	0.60
		(0.52)	**0.60**
IV	**Maturity profile of defined benefit obligation**		
	Within next 12 months	0.33	0.22
	Between 1 and 5 years	2.66	1.74
	Above 5 years	43.90	33.75
V	**Actuarial assumptions:**		
	Discount rate	7.53%	7.31%
	Salary escalation	7.00%	7.00%
	Employee turnover	Service < 5 : 14% Service>=5 : 2%	Service < 5 : 14% Service>=5 : 2%
	Mortality tables	Indian assured lives mortality (2012-14) (Urban)	Indian assured lives mortality (2012-14) (Urban)
	Weighted average duration of the projected benefit obligation	15 years	16 years

VI Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

	Defined Benefit Plan	
	31 March 2023	31 March 2022
Defined Benefit Obligation - Discount rate + 100 basis points	(1.65)	(1.25)
Defined Benefit Obligation - Discount rate - 100 basis points	1.98	1.53
Defined Benefit Obligation - Salary escalation rate + 100 basis points	1.97	1.10
Defined Benefit Obligation - Salary escalation rate - 100 basis points	(1.67)	(0.99)
Defined Benefit Obligation - Employee turnover + 100 basis points	0.05	0.16
Defined Benefit Obligation - Employee turnover - 100 basis points	(0.07)	(0.20)

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

*Amount less than ₹ 0.01 crore

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's liability on account of gratuity is not funded and hence the disclosures relating to the planned assets are not applicable to the Company.

Compensated absences

Compensated absences for employee benefits of ₹ 5.84 crore (31 March 2022: ₹ 3.71 crore) expected to be paid in exchange for the services is recognised as an expense during the year.

44 Share based payments

On 27 March 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on 30 May 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective 15 July 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e. 15 July 2021.

Particulars	March 31, 2023	March 31, 2022
Options granted and outstanding at the beginning of the year	1,301,213	-
Options granted during the year	-	1,301,213
Options exercised during the year	-	-
Options lapsed during the year	(18,425)	-
Options granted and outstanding at the end of the year	1,282,788	1,301,213

During the year ended, the Company has debited to the Statement of Profit and Loss ₹ 2.04 crore (31 March 2022: ₹ 2.32 crore) towards the stock options granted to their employees, pursuant to the Scheme.

The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Particulars	March 31, 2023	March 31, 2022
Risk-free interest rate	5.14% - 6.11%	5.14% - 6.11%
Expected life of options	4 years	4 years
Expected volatility	30% to 35%	30% to 35%
Expected dividend over the life of the options	4.50%	4.50%
Weighted average share price	318.50	297.65
Weighted average exercise price	238	238
Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life option	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life option

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

45 Disclosure pursuant to section 186 of the Companies Act, 2013

A. Details of Inter-corporate deposits/ Loans given by the Company are as follows:

Name of the entity	As at 1 April 2022	Conversion of loan to equity and interest accrued to loan (net)	Loan given during the year (refer note 49)	Loan repaid during the year (refer note 49)	Foreign exchange/ adjustment during the year	As at 31 March 2023
Sterling and Wilson International Solar FZCO (refer note 2 below)	110.66	-	1,101.09	-	10.29	1,222.04
Sterling and Wilson (Thailand) Limited (refer note 3 below)	0.13	-	-	-	-	0.13
Esterlina Solar Engineers Private Limited (refer note 4)	(0.00)	-	0.12	(0.12)	-	(0.00)
Sterling Wilson - SPCPL - Chint Moroccan Venture (refer note 5 below)	42.26	-	0.55	(4.73)	-	38.07
Sterling and Wilson Solar LLC (refer note 6 below)	-	-	70.36	(69.84)	0.52	0.00

Name of the entity	As at 1 April 2021	Conversion of loan to equity and interest accrued to loan (net)	Loan given during the year (refer note 49)	Loan repaid during the year (refer note 49)	Foreign exchange/ adjustment during the year	As at 31 March 2022
Sterling and Wilson Private Limited (refer note 1 below) (net)	397.55	-	-	(397.55)	-	-
Sterling and Wilson International Solar FZCO (refer note 2 below)	107.31	-	-	-	3.35	110.66
Sterling and Wilson (Thailand) Limited (refer note 3 below)	0.13	-	-	-	-	0.13
Esterlina Solar Engineers Private Limited (refer note 4)	(0.00)	-	31.04	(31.04)	-	(0.00)
Sterling Wilson - SPCPL - Chint Moroccan Venture (refer note 5 below)	47.29	-	13.01	(18.04)	-	42.26

The Company has given loan to related parties which are repayable on demand, which are outstanding on 31 March 2023. The balance as at 31 March 2023 is ₹ 1,260.24 crore (31 March 2022: ₹ 153.05 crore). The same constitutes 100% (31 March 2022: 100%) of the total loan given.

Note 1: Sterling and Wilson Private Limited

	March 31, 2023	March 31, 2022
Purpose of utilization of loan given to the entities	-	Working Capital
Loan repayment terms	-	Repayable by 30 September 2021
Rate of Interest	-	13.88% to 14.66% p.a.

Note 2: Sterling and Wilson International Solar FZCO

	March 31, 2023	March 31, 2022
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	8% p.a. (upto 30 September 2022) 9.50% p.a. (from 01 October 2022 onwards)	8.00% p.a.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Note 3: Sterling and Wilson (Thailand) Ltd.

	March 31, 2023	March 31, 2022
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	7.50% p.a.	7.50% p.a.

Note 4: Esterlina Solar Engineers Private Limited

	March 31, 2023	March 31, 2022
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	11.00% p.a.	11.00% p.a.

Note 5: Sterling Wilson - SPCPL - Chint Moroccan Venture

	March 31, 2023	March 31, 2022
Purpose of utilization of loan given to the entities	Working Capital	Working Capital
Loan repayment terms	Repayable on demand	Repayable on demand
Rate of Interest	11.00% p.a.	11.00% p.a.

Note 6:Sterling and Wilson Solar LLC

	March 31, 2023	March 31, 2022
Purpose of utilization of loan given to the entities	Working Capital	-
Loan repayment terms	Repayable on demand	-
Rate of Interest	9.50% p.a.	-

B. Details of corporate guarantees given by the Company are as follows:

Name of the beneficiary	Purpose	As at 1 April 2022	Guarantees given during the year	Guarantees expired/ released during the year	Adjustment on account of exchange difference	As at 31 March 2023
Sterling and Wilson International Solar FZCO (Also Refer note 42 - Other commitments)	Borrowing facility	1,401.06	139.68	45.35	106.93	1,602.32
Sterling and Wilson Solar Solutions Inc. (Also Refer note 42 - Other commitments)	Borrowing facility	-	102.37	-	-	102.37

Name of the beneficiary	Purpose	As at 1 April 2021	Guarantees given during the year	Guarantees expired/ released during the year	Adjustment on account of exchange difference	As at 31 March 2022
Sterling and Wilson International Solar FZCO (Also Refer note 42 - Other commitments)	Borrowing facility	1,045.82	453.34	123.58	(25.48)	1,401.06

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

46 Disclosure under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Name of the entity and nature of transactions (loan given/ investment made/ guarantee given)	Purpose for which loan given/ investment made given to be utilised by the recipient	Balance as at		Movement during the year (net)	Maximum outstanding during the year	
		31 March 2023	31 March 2022		31 March 2023	31 March 2022
A. Investment in equity shares						
Sterling and Wilson (Thailand) Limited		0.00	0.00	-	-	-
Sterling and Wilson Saudi Arabia Limited		1.78	1.78	-	-	-
Sterling and Wilson International Solar FZCO		369.28	369.28	-	-	-
Esterlina Solar Engineers Private Limited		0.01	0.01	-	-	-
Sterling and Wilson Solar LLC		1.92	1.92	-	-	-
B. Inter-corporate deposits/ Loans						
Sterling and Wilson Private Limited	Working capital	-	-	-	-	397.55
Sterling and Wilson International Solar FZCO	Working capital	1,222.04	110.66	1,111.38	1,222.04	110.66
Sterling Wilson - SPCPL - Chint Moroccan Venture	Working capital	38.07	42.26	(4.19)	42.80	47.29
Sterling and Wilson (Thailand) Limited	Working capital	0.13	0.13	-	0.13	0.13
Esterlina Solar Engineers Private Limited	Working capital	(0.00)	(0.00)	-	0.12	31.04
Sterling and Wilson Solar LLC	Working capital	-	-	70.36	70.36	-
C. Corporate guarantee issued						
Sterling and Wilson International Solar FZCO	Borrowing facility	1,602.32	1,401.06	201.26	-	-
Sterling and Wilson Solar Solutions Inc	Borrowing facility	102.37	-	102.37	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

47 Corporate social responsibility

As per Section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised during the year on the activities which are specified in Schedule VII of the Companies Act 2013. The utilisation is done by way of direct contribution towards various activities and activities conducted by the Company.

The details set below are for the amount spent by the Company.

Particulars		March 31, 2023		
		In cash	Yet to be paid in cash	Total
A.	Gross amount required to be spent by the Company during the year			0.56
B.	Amount spent during the year ended 31 March 2023			
	i) Installation of Water purifier in rural area	0.00	0.09	0.09
	ii) Medical check up and Nutritional suppliment distribution in rural area	0.00	0.08	0.08
	iii) Educational kits distribution in tribal area	0.02	-	0.02
	iv) Women Empowerment	0.00	0.16	0.16
	v) Other donation and contribution	0.00	0.21	0.21
		0.02	**0.54**	**0.56**
C.	Related party transactions in relation to Corporate Social Responsibility			NIL
D.	Provision movement during the year			
	Opening balance as at 1 April 2022			4.75
	Addition during the year			0.54
	Utilised during the year			3.19
	Closing balance as at 31 March 2023			2.10

E. Unspent amount

Particulars	Opening balance	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
FY 2020-21	1.56	-	-	0.81	0.75
FY 2021-22	3.19	3.19	-	2.38	0.81
FY 2022-23*	-	-	0.56	0.02	0.54
	4.75	**3.19**	**0.56**	**3.21**	**2.10**

*In respect of on-going projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the balance sheet date out of the amounts that was required to be spent during the year, to a special account in compliance with the provision of the sub section (6) of Section 135 of the said Act till the date of signing of the financial statements i.e. 20 April 2023.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Particulars		31 March 2022		
		In cash	**Yet to be paid in cash**	**Total**
A.	Gross amount required to be spent by the Company during the year			4.01
B.	Amount spent during the year ended 31 March 2022			
	i) Community development in Methi village	0.10	-	0.10
	ii) Rural area development	0.13	-	0.13
	iii) Contribution to female cancer home	0.15	-	0.15
	iv) Contribution towards school empowerment program	0.09	-	0.09
	v) Contribution for project undertaken for Training-Cum-Employment of disabled persons	0.08	-	0.08
	vi) Community water harvesting in drought prone regions	0.10	-	0.10
	vii) Other donations and contributions	0.18	-	0.18
		0.82	**-**	**0.82**
C.	Related party transactions in relation to Corporate Social Responsibility			-
D.	Provision movement during the year			
	Opening balance as at 1 April 2021			4.56
	Addition during the year			3.19
	Utilised during the year			3.00
	Closing balance as at 31 March 2022			4.75

E. Unspent amount

Particulars	Opening balance	Amount deposited in Unspent CSR account	Amount required to be spent during the year	Amount spent during the year	Closing balance
FY 2020-21	-	4.56	4.56	3.00	1.56
FY 2021-22	-	-	4.01	0.82	3.19
	-	**4.56**	**8.57**	**3.82**	**4.75**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

48 Disclosure under Ind AS 115, Revenue from Contracts with Customers

A) The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

B) Disaggreagtion of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical area and the type of contract of revenue recognition. Disaggregated revenue with the Company's reportable segments is given in note 50.

C) Reconciliation of contract assets and liabilities

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract assets*		
Unbilled receivables		
Contract assets at the beginning of the year	561.58	604.52
Less: Billing during the year	1,490.45	3,300.20
Add: Revenue recognised during the year	1,320.46	3,257.26
Contract assets as at the end of the year	**391.59**	**561.58**
Contract liabilities**		
Advance from customers		
Contract liabilities at the beginning of the year	383.46	200.77
Add: Addition during the year	251.27	383.46
Less: Applied during the year	136.14	200.77
Contract liabilities as at the end of the year	**498.59**	**383.46**

*The contract assets primarily relate to the Company's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected within 30-60 days from the date of invoicing.

**The contract liabilities primarily relates to the advances from customer towards on-going EPC projects and operation and maintainence projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

D) Reconciliation of revenue as per Ind AS 115

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from works contracts	1,383.82	3,310.71
Adjustment on account of:		
Less: Liquidated damages provided during the year	(95.88)	(49.33)
Total	**1,287.94**	**3,261.38**
Revenue from operation and maintenance services	168.66	196.55
Adjustment on account of:		
Add: Recognition of revenue towards free operation and maintenance period	-	0.10
Total	**168.66**	**196.65**
Other operating income	1.31	1.55
Add: Adjustment during the year	-	-
Total	**1.31**	**1.55**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

E) Performance obligation

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognizes the entire estimated loss in the year/period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

There is no revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at 31 March 2023 and 31 March 2022, except as disclosed below.

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at 31 March 2023 in respect of EPC contracts that have original expected duration of more than one year:

₹ in crore

31 March 2023	0-2 years	Total
Income from works contracts	1,924.31	1,924.31
	1,924.31	**1,924.31**

₹ in crore

31 March 2022	0-2 years	Total
Income from works contracts	849.19	849.19
	849.19	**849.19**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

F) **Practical expedients:**

Applying the practical expedient in paragraph 63 of Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for EPC contracts that have original expected duration of one year or less.

49 Related Party Disclosures

Category of related parties	
A)	**Holding Company upto 29 December 2021**
	Shapoorji Pallonji and Company Private Limited (Refer footnote below Part B)
B)	**Entities which exercise significant influence over the Company from 29 December 2021**
	Reliance New Energy Limited (wholly owned subsidiary of Reliance Industries Limited)
	Reliance Industries Limited (100% Holding Company of Reliance New Energy Limited) ('RIL')
	Shapoorji Pallonji and Company Private Limited ('SPCPL')
C)	**Entities over which any one of the entity mentioned in B above exercise significant influence or control**
	Sterling and Wilson Private Limited
	Shapoorji Pallonji Infrastructure Capital Co Private Limited
	Shapoorji Pallonji Solar Holdings Private Limited
	Shapoorji Pallonji Energy Egypt S.A.E
	Shapoorji Pallonji Mideast L.L.C
	Reliance Corporate IT Park Ltd.
	Forbes and Company Limited
	Sterling and Wilson Middle East Solar Energy L.L.C.
	Sterling Viking Power Private Limited
	Sterling Generators Private Limited
	Forvol International Services Limited
	Sterling and Wilson Co-Gen Solutions Private Limited
	Sterling and Wilson Powergen FZE
	Reliance Jio Infocomm Limited
D)	**Subsidiaries, direct and indirect holding**
	Sterling and Wilson International Solar FZCO
	Sterling and Wilson (Thailand) Limited
	Sterling and Wilson Saudi Arabia Limited
	Sterling and Wilson Middle East Solar Energy L.L.C.
	Sterling and Wilson Engineering (Pty) Limited
	Sterling and Wilson Singapore Pte Limited
	Sterling and Wilson Kazakhstan LLP

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Category of related parties	
	Sterling Wilson - SPCPL - Chint Moroccan Venture
	Esterlina Solar Engineers Private Limited
	Sterling and Wilson Solar Spain S.L.
	Sterling and Wilson Renewable Energy Spain S.L. (formerly known as Esterlina Solar – Proyecto Diez, S.L.)
	Sterling and Wilson Solar Solutions Inc.
	Sterling Wilson Solar Solutions LLC
	Sterling and Wilson International LLP
	Sterling and Wilson Solar Australia Pty. Ltd.
	Sterling and Wilson Solar Malaysia Sdn. Bhd. (upto 20 January 2023)
	Sterling and Wilson Renewable Energy Nigeria Limited (w.e.f. 9 February 2023)
	Sterling and Wilson Solar LLC
	GCO Solar Pty. Ltd.
	Esterlina Solar – Proyecto Uno, S.L.
	Esterlina Solar – Proyecto Dos, S.L.
	Esterlina Solar – Proyecto Tres, S.L.
	Esterlina Solar – Proyecto Cuatro, S.L.
	Esterlina Solar – Proyecto Cinco, S.L.
	Esterlina Solar – Proyecto Seis, S.L.
	Esterlina Solar – Proyecto Siete, S.L.
	Esterlina Solar – Proyecto Ocho, S.L.
	Esterlina Solar – Proyecto Nueve, S.L.
E)	**Key Management Personnel (with which the Company has transaction and or balances)**
	Mr. Khurshed Y Daruvala, Chairman
	Mr. Pallon Shapoor Mistry, Non-Executive Director
	Mr. Bikesh Ogra, Non-Executive Director (upto 7 April 2022)
	Mr. Bahadur Dastoor, Chief Financial Officer (CFO)
	Mr. Jagannadha Rao Ch. V., Company Secretary
	Mr. Chandra Thakur, Manager

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

B Transactions and balances with related parties

Related party disclosures for the year ended 31 March 2023

Sr. No.	Particulars	Entities exercise significant influence over the Company	Subsidiaries / Associates / of RIL / SPCPL	Subsidiaries, direct and indirect holding	Key Management Personnel	Total
	Transactions					
I	Income from works contracts	0.04	2.68	-	-	2.72
II	Revenue from operation and maintenance services	0.12	6.21	-	-	6.33
III	Purchase of services	-	10.22	75.81	-	86.03
IV	Purchases of construction material	-	3.08	558.63	-	561.71
V	Interest income	-	-	82.43	-	82.43
VI	Other income	4.62	-	-	-	4.62
VII	Corporate guarantee commission	-	-	10.06	-	10.06
VIII	Recovery towards expenses and others	82.60	1.54	213.94	16.23	314.31
IX	Other Payables	-	0.23	156.88	-	157.11
X	Remuneration and sitting fees paid	-	-	-	8.32	8.32
XI	Interest expense*	-	-	0.00	-	0.00
XII	Other expenses	0.63	2.21	-	-	2.84
XIII	Corporate guarantee issued	-	-	241.78	-	241.78
XIV	Corporate guarantee released	-	-	45.35	-	45.35
XV	Inter-corporate deposits/ Loan given	-	-	1,172.12	-	1,172.12
XVI	Short term borrowing obtained	-	-	0.15	-	0.15
XVII	Inter-corporate deposits/ Loan repaid	-	-	75.21	-	75.21
	Balances					
XVIII	Interest receivable	-	-	75.14	-	75.14
XIX	Salaries payable	-	-	-	0.26	0.26
XX	Trade Receivables	35.69	49.61	57.30	-	142.60
XXI	Trade payable	0.62	8.75	16.64	-	26.01
XXII	Outstanding advance to vendors	-	-	22.52	-	22.52
XXIII	Other receivables	25.84	0.01	168.63	-	194.48
XXIV	Other Payables	-	1.36	6.60	-	7.96
XXV	Corporate guarantee outstanding	-	-	1,704.69	-	1,704.69
XXVI	Unbilled receivables	0.55	0.15	-	-	0.70
XXVII	Inter-corporate deposits payable	-	-	0.15	-	0.15
XXVIII	Inter-corporate deposits/ Loan receivable	-	-	1,260.24	-	1,260.24

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Particulars	Entities exercise significant influence over the Company	Subsidiaries / Associates / of RIL / SPCPL	Subsidiaries, direct and indirect holding	Key Management Personnel	Total
I	**Income from works contracts**					
	Shapoorji Pallonji and Company Private Limited	0.04	-	-	-	**0.04**
	Sterling and Wilson Private Limited	-	2.04	-	-	**2.04**
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	0.18	-	-	**0.18**
	Shapoorji Pallonji Solar Holdings Private Limited	-	0.46	-	-	**0.46**
II	**Revenue from operation and maintenance services**					
	Shapoorji Pallonji Energy Egypt S.A.E	-	5.80	-	-	**5.80**
	Reliance Corporate IT Park Ltd.	-	0.37	-	-	**0.37**
	Reliance Industries Limited	0.12	-	-	-	**0.12**
	Forbes and Company Limited	-	0.04	-	-	**0.04**
III	**Purchases of services**					
	Sterling and Wilson Middle East Solar Energy L.L.C.	-	-	8.99	-	**8.99**
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	-	-	66.82	-	**66.82**
	Sterling and Wilson Private Limited	-	10.22	-	-	**10.22**
IV	**Purchases of construction material**					
	Sterling and Wilson Solar Australia Pty. Ltd.	-		3.14		**3.14**
	Sterling and Wilson International Solar FZCO	-		555.49		**555.49**
	Sterling Generators Private Limited	-	3.08			**3.08**
V	**Interest income**					
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-	-	4.63	-	**4.63**
	Esterlina Solar Engineers Private Limited	-	-	0.01	-	**0.01**
	Sterling and Wilson Solar LLC	-	-	1.17	-	**1.17**
	Sterling and Wilson International Solar FZCO	-	-	76.62	-	**76.62**
VI	**Other income**					
	Shapoorji Pallonji and Company Private Limited	4.62	-	-	-	**4.62**
VII	**Corporate guarantee commission**					
	Sterling and Wilson International Solar FZCO	-	-	9.85	-	**9.85**
	Sterling and Wilson Solar Solutions Inc.	-	-	0.21	-	**0.21**
VIII	**Recovery towards expenses and others**					
	Shapoorji Pallonji and Company Private Limited	82.60	-	-	-	**82.60**
	Sterling and Wilson Private Limited	-	1.54	-	-	**1.54**
	Sterling and Wilson International Solar FZCO	-	-	202.96	-	**202.96**
	Sterling and Wilson Solar Australia Pty. Ltd.	-	-	0.31	-	**0.31**
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	-	-	10.67	-	**10.67**
	Mr. Khurshed Y. Daruvala	-	-	-	16.23	**16.23**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Particulars	Entities exercise significant influence over the Company	Subsidiaries / Associates / of RIL / SPCPL	Subsidiaries, direct and indirect holding	Key Management Personnel	Total
IX	**Other payables**					
	Sterling and Wilson International Solar FZCO	-	-	109.32	-	**109.32**
	Sterling and Wilson Private Limited	-	0.23	-	-	**0.23**
	Sterling and Wilson Solar Solutions Inc	-	-	6.81	-	**6.81**
	Sterling and Wilson Solar Australia Pty. Ltd.	-	-	40.75	-	**40.75**
X	**Remuneration and sitting fees paid**					
	Mr. Khurshed Y Daruvala, Director					
	-Sitting fees	-	-	-	0.14	**0.14**
	Mr. Pallon Shapoor Mistry, Non-Executive Director					
	-Sitting fees	-	-	-	0.05	**0.05**
	Mr. Bahadur Dastoor, Chief Financial Officer					
	- Short-term employee benefits	-	-	-	3.03	**3.03**
	- Post-employment benefits	-	-	-	0.63	**0.63**
	- Other long-term benefits	-	-	-	0.05	**0.05**
	Mr. Jagannadha Rao Ch. V., Company Secretary					
	- Short-term employee benefits	-	-	-	1.75	**1.75**
	- Post-employment benefits	-	-	-	0.07	**0.07**
	- Other long-term benefits	-	-	-	0.03	**0.03**
	Mr. Chandra Thakur, Manager					
	- Short-term employee benefits	-	-	-	2.38	**2.38**
	- Post-employment benefits	-	-	-	0.10	**0.10**
	- Other long-term benefits	-	-	-	0.09	**0.09**
XI	**Interest expense***					
	Esterlina Solar Engineers Private Limited	-	-	0.00	-	**0.00**
XII	**Other expense**					
	Shapoorji Pallonji and Company Private Limited	0.63	-	-	-	**0.63**
	Forvol International Services Limited	-	2.21	-	-	**2.21**
XIII	**Corporate guarantee issued**					
	Sterling and Wilson International Solar FZCO	-	-	139.68	-	**139.68**
	Sterling and Wilson Solar Solutions Inc.	-	-	102.10	-	**102.10**
XIV	**Corporate guarantee released**					
	Sterling and Wilson International Solar FZCO	-	-	45.35	-	**45.35**
XV	**Inter-corporate deposits/ Loan given**					
	Sterling and Wilson Solar LLC	-	-	70.36	-	**70.36**
	Sterling and Wilson International Solar FZCO	-	-	1,101.09	-	**1,101.09**
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-	-	0.55	-	**0.55**
	Esterlina Solar Engineers Private Limited	-	-	0.12	-	**0.12**

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Particulars	Entities exercise significant influence over the Company	Subsidiaries / Associates / of RIL / SPCPL	Subsidiaries, direct and indirect holding	Key Management Personnel	Total
XVI	**Short term borrowing obtained**					
	Esterlina Solar Engineers Private Limited	-	-	0.15	-	**0.15**
XVII	**Inter-corporate deposits/ Loan repaid**	**-**	**-**			
	Sterling and Wilson Solar LLC	-	-	70.36	-	**70.36**
	Esterlina Solar Engineers Private Limited	-	-	0.12	-	**0.12**
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-		4.73	-	**4.73**
XVIII	**Interest receivable**					
	Sterling and Wilson International Solar FZCO	-	-	62.07	-	**62.07**
	Sterling and Wilson Solar LLC	-	-	1.17	-	**1.17**
	Esterlina Solar Engineers Private Limited	-	-	0.00	-	**0.00**
	Sterling Wilson - SPCPL - Chint Moroccan Venture	-	-	11.88	-	**11.88**
	Sterling and Wilson (Thailand) Limited	-	-	0.02	-	**0.02**
XIX	**Salaries payable**					
	Mr. Bahadur Dastoor, CFO	-	-	-	0.13	**0.13**
	Mr. Jagannadha Rao Ch. V., Company Secretary	-	-	-	0.04	**0.04**
	Mr. Chandra Thakur, Manager	-	-	-	0.09	**0.09**
XX	**Trade receivables**					
	Shapoorji Pallonji and Company Private Limited	35.57	-	-	-	**35.57**
	Shapoorji Pallonji Energy Egypt S.A.E	-	2.40	-	-	**2.40**
	Shapoorji Pallonji Mid East LLC	-	1.92	-	-	**1.92**
	Sterling Generators Private Limited	-	0.47	-	-	**0.47**
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	32.57	-	-	**32.57**
	Shapoorji Pallonji Solar Holdings Private Limited	-	12.25	-	-	**12.25**
	Reliance Corporate IT Park Ltd.	-	0.10	-	-	**0.10**
	Reliance Industries Ltd.	0.02	-	-	-	**0.02**
	Sterling and Wilson International Solar FZCO	-	-	0.24	-	**0.24**
	Sterling Wilson - SPCPL - Chint Moroccan Venture	-	-	57.06	-	**57.06**
XXI	**Trade payable**					
	Shapoorji Pallonji and Company Private Limited	0.62		-	-	**0.62**
	Forvol International Services Limited	-	0.18	-	-	**0.18**
	Sterling and Wilson Private Limited	-	8.10	-	-	**8.10**
	Sterling Generators Private Limited	-	0.37	-	-	**0.37**
	Sterling and Wilson Powergen FZE	-	0.10	-	-	**0.10**
	Reliance Jio Infocomm Limited*	-	0.00	-	-	**0.00**
	Sterling and Wilson Solar Australia Pty. Ltd.	-	-	0.70	-	**0.70**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Particulars	Entities exercise significant influence over the Company	Subsidiaries / Associates / of RIL / SPCPL	Subsidiaries, direct and indirect holding	Key Management Personnel	Total
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)	-	-	13.70	-	**13.70**
	Sterling and Wilson International Solar FZCO	-	-	2.24	-	**2.24**
XXII	**Outstanding advance to vendors**					
	Sterling and Wilson International Solar FZCO	-	-	22.52	-	**22.52**
XXIII	**Other receivables**					
	Shapoorji Pallonji and Company Private Limited	25.84	-	-	-	**25.84**
	Sterling and Wilson International Solar FZCO	-	-	160.55	-	**160.55**
	Sterling and Wilson Solar Australia Pty. Ltd.	-	-	0.31	-	**0.31**
	Sterling and Wilson Co-Gen Solutions Private Limited	-	0.01	-	-	**0.01**
	Sterling and Wilson Solar LLC	-	-	7.77	-	**7.77**
XXIV	**Other payables**					
	Sterling and Wilson Private Limited	-	1.36	-	-	**1.36**
	Sterling and Wilson Solar Solutions Inc.	-	-	6.60	-	**6.60**
XXV	**Corporate guarantee outstanding**					
	Sterling and Wilson International Solar FZCO	-	-	1,602.32	-	**1,602.32**
	Sterling and Wilson Solar Solutions Inc.	-	-	102.37	-	**102.37**
XXVI	**Unbilled receivables**					
	Shapoorji Pallonji and Company Private Limited	0.55	-	-	-	**0.55**
	Sterling Generators Private Limited	-	0.11	-	-	**0.11**
	Forbes & Company Limited	-	0.01	-	-	**0.01**
	Sterling and Wilson Private Limited	-	0.03	-	-	**0.03**
XXVII	**Inter-corporate deposits payable**					
	Esterlina Solar Engineers Private Limited	-	-	0.15	-	**0.15**
XXVIII	**Inter-corporate deposits/ Loan receivable**					
	Sterling Wilson - SPCPL - Chint Morrocan Venture	-	-	38.07	-	**38.07**
	Sterling and Wilson (Thailand) Limited	-	-	0.13	-	**0.13**
	Sterling and Wilson International Solar FZCO	-	-	1,222.04	-	**1,222.04**

*Amount less than Rs 0.01 crore

*Effective 30 December 2021 the Company ceased to be a subsidiary of Shapoorji Pallonji and Company Private Limited ('SPCPL') (Refer note 19 (C). Consequently the Subsidiaries of SPCPL which were classified as Fellow Subsidiaries of the Company prior to 30 December 2021 will be classified as Associates post that date.

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

**Post employment benefits includes gratuity and leave encashment.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Related party disclosures for the year ended 31 March 2022

Sr. No.	Particulars	Holding Company / Associate *	Subsidiaries and Fellow subsidiaries/ Associate*	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Transactions				
I	Income from works contracts	32.68	0.23	-	32.91
II	Revenue from operation and maintenance services	-	4.98	-	4.98
III	Purchase of services	-	145.02	-	145.02
IV	Purchases of construction material	-	1,110.04	-	1,110.04
V	Advance received from customers	-	0.23	-	0.23
VI	Advance paid to vendors	-	25.40	-	25.40
VII	Management support fees	1.98	-	-	1.98
VIII	Interest income	-	69.99	-	69.99
IX	Other income	-	7.14	-	7.14
X	Corporate guarantee commission	-	10.42	-	10.42
XI	Recovery towards expenses and others	4.08	844.83	-	848.91
XII	Other payables	-	29.83	-	29.83
XIII	Remuneration and sitting fees paid	-	-	7.12	7.12
XIV	Interest expense	-	3.28	-	3.28
XV	Other expenses	0.52	-	-	0.52
XVI	Corporate guarantee issued	-	453.34	-	453.34
XVII	Corporate guarantee released	-	123.58	-	123.58
XVIII	Inter-corporate deposits/ Loan given	-	44.05	-	44.05
XIX	Short term borrowing obtained	-	0.36	-	0.36
XX	Inter-corporate deposits/ Loan repaid	-	446.65	-	446.65
XXI	Short term borrowing repaid	-	30.11	-	30.11
	Balances				
XXII	Interest receivable	-	7.65	-	7.65
XXIII	Interest payable	1.86	-	-	1.86
XXIV	Salaries payable	-	0.22	-	0.22
XXV	Trade Receivables	57.31	106.73	-	164.04
XXVI	Trade payable	6.14	1,046.67	-	1,052.81
XXVII	Outstanding advance to vendors	-	40.20	-	40.20
XXVIII	Other receivables	4.08	714.35	-	718.43
XXIX	Other Payables	-	1.36	-	1.36
XXX	Corporate guarantee outstanding	-	1,401.06	-	1,401.06
XXXI	Unbilled receivables	0.97	0.04	-	1.01
XXXII	Inter-corporate deposits/ Loan receivable	-	153.05	-	153.05

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding Company / Associate *	Subsidiaries and Fellow subsidiaries/ Associate*	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
I	**Income from works contracts**				
	Shapoorji Pallonji and Company Private Limited	32.68	-	-	32.68
	Sterling and Wilson Private Limited		0.39		0.39
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	(1.93)		(1.93)
	Sterling Generators Private Limited		0.13		0.13
	Shapoorji Pallonji Solar Holdings Private Limited		1.64		1.64
II	**Revenue from operation and maintenance services**				
	Shapoorji Pallonji Energy Egypt S.A.E		4.60		4.60
	Forbes & Company Limited		0.04		0.04
	Sterling and Wilson Private Limited		0.34		0.34
III	**Purchases of services**				
	Sterling and Wilson Middle East Solar Energy L.L.C.		31.18		31.18
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		96.07		96.07
	Sterling and Wilson Private Limited		17.58		17.58
	Forvol International Services Limited		0.19		0.19
IV	**Purchases of construction material**				
	Sterling and Wilson Solar Australia Pty. Ltd.		303.17		303.17
	Sterling and Wilson Private Limited		0.18		0.18
	Sterling Generators Private Limited		0.08		0.08
	Sterling and Wilson International Solar FZCO		806.61		806.61
V	**Advance received from customers**				
	Shapoorji Pallonji Energy Egypt S.A.E		0.23		0.23
VI	**Advance paid to vendors**				
	Sterling and Wilson International Solar FZCO		5.48		5.48
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		19.92		19.92
VII	**Management support fees**				
	Shapoorji Pallonji and Company Private Limited	1.98			1.98
VIII	**Interest income**				
	Sterling and Wilson Private Limited		17.36		17.36
	Sterling Wilson - SPCPL - Chint Morrocan Venture		4.12		4.12
	Esterlina Solar Engineers Private Limited		2.15		2.15
	Sterling and Wilson International Solar FZCO		46.36		46.36
IX	**Other income**				
	Sterling and Wilson International Solar FZCO		7.14		7.14

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding Company / Associate *	Subsidiaries and Fellow subsidiaries/ Associate*	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
X	**Corporate guarantee commission**				
	Sterling and Wilson International Solar FZCO		10.42		10.42
XI	**Recovery towards expenses and others**				
	Shapoorji Pallonji and Company Private Limited	4.08	-		4.08
	Sterling and Wilson International Solar FZCO		632.82		632.82
	Sterling and Wilson Co-Gen Solutions Private Limited		0.05		0.05
	Esterlina Solar Engineers Private Limited		2.00		2.00
	Sterling and Wilson Middle East Solar Energy L.L.C.		22.55		22.55
	Sterling and Wilson Solar Australia Pty. Ltd.		175.83		175.83
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		11.58		11.58
XII	**Other payables**				
	Sterling and Wilson Private Limited		4.04		4.04
	Sterling and Wilson Solar Australia Pty. Ltd.		25.79		25.79
XIII	**Remuneration and sitting fees paid**				
	Mr. Khurshed Y Daruvala, Director				
	-Sitting fees			0.17	0.17
	Mr. Pallon Shapoor Mistry, Director				
	-Sitting fees			0.07	0.07
	Mr. Bikesh Ogra, Non-Executive Director				
	-Sitting fees			0.09	0.09
	Mr. Bahadur Dastoor, CFO				-
	- Remuneration			2.77	2.77
	- Post employment benefits**			0.03	0.03
	Mr. Jagannadha Rao Ch. V., Company Secretary				
	- Short-term employee benefits			1.60	1.60
	- Post-employment benefits**			0.08	0.08
	Mr. Chandra Thakur, Manager				
	- Short-term employee benefits			2.13	2.13
	- Post-employment benefits**			0.18	0.18
XIV	**Interest expense**				
	Esterlina Solar Engineers Private Limited		3.28		3.28
XV	**Other expense**				
	Shapoorji Pallonji and Company Private Limited	0.52			0.52
XVI	**Corporate guarantee issued**				
	Sterling and Wilson International Solar FZCO		453.34		453.34

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding Company / Associate *	Subsidiaries and Fellow subsidiaries/ Associate*	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XVII	**Corporate guarantee released**				
	Sterling and Wilson International Solar FZCO		123.58		123.58
XVIII	**Inter-corporate deposits/ Loan given**				
	Sterling Wilson - SPCPL - Chint Morrocan Venture		13.01		13.01
	Esterlina Solar Engineers Private Limited		31.04		31.04
XIX	**Short term borrowing obtained**				
	Esterlina Solar Engineers Private Limited		0.36		0.36
XX	**Inter-corporate deposits/ Loan repaid**				
	Sterling and Wilson Private Limited		397.57		397.57
	Esterlina Solar Engineers Private Limited		31.04		31.04
	Sterling Wilson - SPCPL - Chint Morrocan Venture		18.04		18.04
XXI	**Short term borrowing obtained**				
	Esterlina Solar Engineers Private Limited		30.11		30.11
XXII	**Interest receivable**				
	Sterling and Wilson (Thailand) Limited		0.02		0.02
	Sterling Wilson - SPCPL - Chint Moroccan Venture		7.63		7.63
XXIII	**Interest payable**				
	Shapoorji Pallonji and Company Private Limited	1.86			1.86
XXIV	**Salaries payable**				
	Mr. Bahadur Dastoor, CFO		0.10		0.10
	Mr. Jagannadha Rao Ch. V., Company Secretary		0.04		0.04
	Mr. Chandra Thakur, Manager		0.08		0.08
XXV	**Trade receivables**				
	Shapoorji Pallonji and Company Private Limited	57.31			57.31
	Shapoorji Pallonji Middle East LLC		0.85		0.85
	Sterling Generators Private Limited		0.47		0.47
	Shapoorji Pallonji Infrastructure Capital Co Private Limited		32.57		32.57
	Shapoorji Pallonji Solar Holdings Private Limited		12.31		12.31
	Shapoorji Pallonji Energy Egypt S.A.E		1.55		1.55
	Sterling and Wilson International Solar FZCO		0.30		0.30
	Sterling Wilson - SPCPL - Chint Moroccan Venture		57.06		57.06
	Sterling and Wilson Private Limited		1.62		1.62
XXVI	**Trade payable**				
	Shapoorji Pallonji and Company Private Limited	6.14			6.14
	Forvol International Services Limited		0.00		0.00
	Sterling Generators Private Limited		0.45		0.45
	Sterling Viking Power Private Limited		0.02		0.02
	Sterling and Wilson Middle East Solar Energy L.L.C.		75.47		75.47

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Nature of transaction	Holding Company / Associate *	Subsidiaries and Fellow subsidiaries/ Associate*	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Sterling and Wilson Solar Australia Pty. Ltd.		6.89		6.89
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		41.96		41.96
	Sterling and Wilson International Solar FZCO		921.88		921.88
XXVII	**Outstanding advance to vendors**				
	Sterling and Wilson International Solar FZCO		20.28		20.28
	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd)		19.92		19.92
XXVIII	**Other receivables**				
	Shapoorji Pallonji and Company Private Limited	4.08	-		4.08
	Sterling and Wilson Private Limited		10.05		10.05
	Sterling and Wilson International Solar FZCO		513.34		513.34
	Sterling and Wilson Solar Australia Pty. Ltd.		183.00		183.00
	Sterling and Wilson Co-Gen Solutions Private Limited		0.01		0.01
	Sterling and Wilson Solar LLC		7.95		7.95
XXIX	**Other payables**				
	Sterling and Wilson Private Limited		1.36		1.36
XXX	**Corporate guarantee outstanding**				
	Sterling and Wilson International Solar FZCO		1,401.06		1,401.06
	Sterling and Wilson Solar LLC				-
XXXI	**Unbilled receivables**				
	Shapoorji Pallonji and Company Private Limited	0.97			0.97
	Forbes & Company Limited		0.01		0.01
	Sterling and Wilson Private Limited		0.03		0.03
XXXII	**Inter-corporate deposits/ Loan receivable**				
	Sterling Wilson - SPCPL - Chint Morrocan Venture		42.26		42.26
	Sterling and Wilson (Thailand) Limited	-	0.13		0.13
	Sterling and Wilson International Solar FZCO		110.66		110.66

*Effective 30 December 2021 the Company ceased to be a subsidiary of Shapoorji Pallonji and Company Private Limited ('SPCPL') (Refer note 19 (C). Consequently the Subsidiaries of SPCPL which were classified as Fellow Subsidiaries of the Company prior to 30 December 2021 will be classified as Associates post that date.

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

**Post employment benefits includes gratuity.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

50 Segment Reporting

A. Basis for segmentation

The Company is primarily engaged in the business of complete turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Renewable Energy Power projects. The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on financial information for EPC business and Operation and maintenance service based on analysis of certain performance indicators viz. Gross margin, Profit after tax. Accordingly, the Group has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:

- Engineering, Procurement and Construction (EPC) business; and

- Operation and maintenance service.

B. Business Segment

The Company's revenues and assets represents company's businesses viz. Solar EPC and Solar Operation and maintenance service. Accordingly, Revenue and expenses have been identified to a segment on the basis of direct relationship to operating activities of the segment. Expenditure which are not directly identifiable but has a relationship to the operating activities of the segment are allocated on a reasonable basis.

Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other common assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Information about reportable segments
March 31, 2023

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	1,287.94	168.66	1.31	1,457.91
Total revenue	**1,287.94**	**168.66**	**1.31**	**1,457.91**
Segment Results	**(38.22)**	**(2.64)**	**1.31**	**(39.55)**
Unallocated expenses				
Finance costs	-	-	141.10	141.10
Depreciation and amortisation expense	-	-	6.69	6.69
Employee benefits and other expenses			265.79	265.79
Total unallocated expenses	**-**	**-**	**413.58**	**413.58**
Unallocated income				
Interest income	-	-	86.19	86.19
Other income	-	-	19.97	19.97
Total unallocated income	**-**	**-**	**106.16**	**106.16**
Profit before tax	(38.22)	(2.64)	(306.11)	(346.97)
Tax expense	-	-	8.05	8.05
Profit after tax	**(38.22)**	**(2.64)**	**(314.16)**	**(355.02)**
Other information				
Segment assets	1,233.28	109.46	2,714.24	4,056.98
Segment liabilities	775.00	56.89	2,056.11	2,888.00
Capital Expenditure	-	-	6.52	6.52
Depreciation and amortisation expense	-	-	6.69	6.69

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

March 31, 2022

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	3,261.38	196.65	1.55	3,459.58
Total revenue	**3,261.38**	**196.65**	**1.55**	**3,459.58**
Segment Results	**11.83**	**31.52**	**1.55**	**44.90**
Unallocated expenses				
Finance costs	-	-	75.34	75.34
Depreciation and amortisation expense	-	-	7.90	7.90
Employee benefits and other expenses	-	-	263.81	263.81
Total unallocated expenses	**-**	**-**	**347.05**	**347.05**
Unallocated income				
Interest income	-	-	71.67	71.67
Other income	-	-	25.06	25.06
Total unallocated income	**-**	**-**	**96.73**	**96.73**
Profit before tax	11.83	31.52	(248.77)	(205.42)
Tax expense	-	-	(37.90)	(37.90)
Profit after tax	**11.83**	**31.52**	**(210.87)**	**(167.52)**
Other information				
Segment assets	1,740.57	110.85	2,121.33	3,972.75
Segment liabilities	1,939.59	37.00	494.93	2,471.52
Capital Expenditure	-	-	2.87	2.87
Depreciation and amortisation expense	-	-	7.90	7.90

C. Geographical information

The geographic information analyses the Company's revenues and non-current assets by the company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

a) Revenue from external customers

Particulars	March 31, 2023			March 31, 2022		
	Solar EPC business	Operation and maintenance service	Unallocated	Solar EPC business	Operation and maintenance service	Unallocated
India	517.32	101.08	-	434.61	116.79	0.91
South east Asia	-	-	-	-	8.91	-
Middle East and North Africa	5.43	40.78	-	26.97	56.40	0.64
Rest of Africa	-	13.05	0.01	37.75	10.96	-
Australia	708.36	-	1.30	2,343.77	-	-
United States of America and Latin America	56.83	13.75	-	418.28	3.59	-
	1,287.94	**168.66**	**1.31**	**3,261.38**	**196.65**	**1.55**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Business in India, the Company's country of domicile, represented approximately 42.42% during the year ended 31 March 2023 (31 March 2022: 15.96%) of its net revenues.

The Company's business in Australia and Chile represented 48.68% and 4.84%, respectively, of its net revenues during the year ended 31 March 2023 (31 March 2022: Chile and Australia represented 67.75% and 12.19% respectively). No other country individually comprised 10% or more of the Company's Standalone net revenues during these periods.

b) Non-current assets (other than financial instruments and deferred tax assets)

Particulars	March 31, 2023	March 31, 2022
India	84.16	61.39
South east Asia	-	0.10
Rest of Africa	4.18	2.81
Middle East and North Africa	0.96	0.84
Australia	6.18	5.57
United States of America and Latin America	0.99	1.49
	96.47	**72.20**

Information about major customers

Revenue from two customers of the Company is ₹ 899.02 crore (31 March 2022: three customers represent approximately ₹ 2,701.18 crore) which accounts for more than 10% of the Company's total revenue for the year ended 31 March 2023.

51 Disclosure under Ind AS 116, Leases

A) Right-of-use assets

	Land and Buildings *	
	March 31, 2023	March 31, 2022
Reconciliation of carrying amount for the year ended 31 March 2023		
Cost		
Balance as at the beginning of the year	6.80	10.35
Add: Additions during the year	5.38	-
Less: Disposals during the year	-	3.55
Balance as at end of the year	**12.18**	**6.80**
Accumulated depreciation and impairment		
Balance as at the beginning of the year	1.83	4.63
Add: Depreciation for the year	1.30	0.75
Add: Impairment losses durinng the year	-	-
Less: Eliminated on disposals of assets	-	3.55
Balance as at end of the year	**3.13**	**1.83**
Carrying amounts		
Opening Balance	**4.97**	**5.72**
Closing Balance	**9.05**	**4.97**

* Carrying amount of Right-of-use assets at the end of the reporting period is towards property taken on lease for office premises, the underlying leasehold improvements is presented in note 4 under "Property, plant and equipment and Capital work in progress".

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

B) Breakdown of lease expenses

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Short-term lease expense	29.15	40.88
Total lease expense	**29.15**	**40.88**

C) Cash outflow on leases

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Repayment of lease liabilities (Including Interest on lease liabilities)	1.42	1.09
Short-term lease expense	29.15	40.88
Total cash outflow on leases	**30.57**	**41.97**

D) Maturity analysis of lease liabilities

March 31, 2023	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Total	Weighted average effective interest rate %
Lease liabilities						
Kamal Gupta, office premises at Delhi	0.30	0.34	1.72	3.17	5.53	11%
MGF Developments Limited, office premises at Delhi	0.68	0.75	3.34	0.81	5.58	11%
Total	**0.98**	**1.09**	**5.06**	**3.98**	**11.11**	

March 31, 2022	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Total	Weighted average effective interest rate %
Lease liabilities						
MGF Developments Limited, office premises at Delhi	0.51	0.67	2.81	2.09	6.08	11%
Total	**0.51**	**0.67**	**2.81**	**2.09**	**6.08**	

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

52 Financial instruments – Fair values and risk management

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value, if carrying amount is a reasonable approximation of fair value

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Non-current financial assets								
Other financial assets	-	-	11.06	11.06	-	-	-	-
Current financial assets								
Trade receivables	-	-	546.08	546.08	-	-	-	-
Cash and cash equivalents	-	-	23.32	23.32	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	35.41	35.41	-	-	-	-
Loans	-	-	1,262.14	1,262.14	-	-	-	-
Derivatives	3.72	-	-	3.72	-	3.72	-	3.72
Other financial assets	-	-	869.78	869.78	-	-	-	-
	3.72	**-**	**2,747.79**	**2,751.51**	**-**	**3.72**	**-**	**3.72**
Non-current financial liabilities								
Borrowings	-	-	700.00	700.00	-	-	-	-
Lease liabilities	-	-	10.13	10.13	-	-	-	-
Current financial liabilities								
Short term borrowings	-	-	1,140.18	1,140.18	-	-	-	-
Lease liabilities	-	-	0.98	0.98	-	-	-	-
Trade payables	-	-	328.91	328.91	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Other current financial liabilities	-	-	155.33	155.33	-	-	-	-
	-	**-**	**2,335.53**	**2,335.53**	**-**	**-**	**-**	**-**

Above excludes carrying value of investments in subsidiaries accounted at cost in accordance with IND AS 27.

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(Currency: Indian rupees in crore)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Non-current financial assets								
Loans	-	-	-	-	-	-	-	-
Other financial assets	-	-	4.77	4.77	-	-	-	-
Current financial assets								
Investment in government securities and mutual funds	-	-	-	-	-	-	-	-
Trade receivables	-	-	589.78	589.78	-	-	-	-
Cash and cash equivalents	-	-	344.85	344.85	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	35.60	35.60	-	-	-	-
Loans	-	-	153.96	153.96	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Other financial assets	-	-	1,339.76	1,339.76	-	-	-	-
	-	**-**	**2,468.72**	**2,468.72**	**-**	**-**	**-**	**-**
Non-current financial liabilities								
Lease liabilities	-	-	5.57	5.57	-	-	5.57	5.57
Current financial liabilities								
Short term borrowings	-	-	353.23	353.23	-	-	-	-
Lease liabilities	-	-	0.51	0.51	-	-	0.51	0.51
Trade payables	-	-	1,443.38	1,443.38	-	-	-	-
Derivatives	20.37	-	-	20.37	-	20.37	-	20.37
Other current financial liabilities	-	-	78.48	78.48	-	-	-	-
	20.37	**-**	**1,881.17**	**1,901.54**	**-**	**20.37**	**6.08**	**26.45**

(b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non current and current financial assets and liabilities measured at amortised cost	Discounted cash flow approach: The valuation model considers the present value of expected payments/ receipts, discounted using a risk adjusted discount rate.	Not applicable	Not applicable
Forward contracts for foreign exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable

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for the year ended March 31, 2023

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Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting year.

Sensitivity Analysis for Level 3

The sensitivity analysis below have been determined based on reasonably possible changes of the discounting rate occurring at the end of the reporting year, while holding all other assumptions constant.

	Discounting rate	March 31, 2023	Discounting rate	March 31, 2022
Lease liabilities - Discount rate + 100 basis points	11.00%	(0.32)	11.00%	(0.24)
Lease liabilities - Discount rate - 100 basis points	11.00%	0.59	11.00%	0.26

(c) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

i) Credit risk ;

ii) Liquidity risk ; and

iii) Market risk

Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment in debt securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowances for doubtful debts and impairments that represents its estimates of incurred losses in respect of trade and other receivable and investment.

Net trade receivable as on 31 March 2023 is ₹ 546.08 crore (31 March 2022: ₹ 589.78 crore).

Two largest customers (net of expected credit loss provision) have a total concentration of 41.06% (31 March 2022: Two largest customers had a total concentration of 31.09%) of net trade receivable.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables and other receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

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The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Amount
Balance as at 1 April 2022	54.37
Add: Impairment losses recognised during the year	14.90
Less: Written back during the year	(31.58)
Balance as at 31 March 2023	**37.69**
Balance as at 1 April 2021	41.44
Add: Impairment losses recognised during the year	12.93
Less: Written back during the year	-
Balance as at 31 March 2022	**54.37**

Cash and bank balances

The Company held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of ₹ 68.73 crore and ₹ 384.45 crore as at 31 March 2023 and 31 March 2022 respectively. The credit worthiness of the such bank and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Derivatives

The derivatives are entered with the credit worthy banks and financial institutions counter parties. The Credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis is considered to be good.

Guarantees

The Company's policy is to provide the financial guarantees and surety bond for its subsidiaries. The outstanding guarantee and surety bond as at 31 March 2023 is ₹ 1,602.32 crore and 102.37 crore respectively (31 March 2022: ₹ 1,401.06 crore and ₹ Nil). The financial guarantees were given to banks and the surety bond was given to an Insurance Company in respect of credit facilities availed by a subsidiary of the Company.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by the Company as at 31 March 2023 and 31 March 2022. The Company monitors the credit worthiness of such lessors where the amount of security deposit is material.

Loans, investments in group companies

The Company has given unsecured loans to its subsidiaries as at 31 March 2023 and 31 March 2022. The Company has reviewed the carrying amounts of loans to determine whether there is any indication that those loans have suffered an impairment loss, as at 31 March 2023 no such indication exist.

Other than the trade receivables and other receivables, the Company has no other financial assets that are past due but not impaired.

ii Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As at 31 March 2023, the Company had unsecured borrowings from banks and others of ₹ 56.68 crore (31 March 2022: ₹ 42.14 crore), secured borrowings from banks of ₹ 1,641.42 crore (31 March 2022: ₹ 264.72 crore), secured loan from financial institution of ₹ 100 crore (31 March 22: Nil), secured commercial papers ₹ Nil (31 March 2022: ₹ 37.34 crore), cash credit loan from banks of ₹ 42.08 crore (31 March 2022: ₹ 46.37 crore), cash and cash equivalents of ₹ 23.32 crore (31 March

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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2022: ₹ 344.85 crore) and other bank balances of ₹ 45.41 Crore (31 March 2022: ₹ 39.60 crore).

During the year ended 31 March 2023, there were no instances of delay in repayment of working capital loans.

During the year ended 31 March 2022, there were 23 instances of delay in repayment of working capital loans to twelve Banks for a period ranging between 1 to 28 days. There were no instances of delays in working capital loans other than as mentioned. Further, the same were regularised and there was no overdue outstanding as at 31 March 2022.

Exposure to liquidity risk

The table below analyses the Company's financial assets and financial liabilities into relevant maturity groupings based on their contractual maturities for derivative and non derivative financial assets and financial liabilities:

March 31, 2023		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Secured loans	1,783.50	1,987.98	1,217.57	413.75	356.66	-
Unsecured loans	56.68	56.68	56.68	-	-	-
Trade payables	328.91	328.91	328.91	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.16	3.16	3.16	-	-	-
Lease liabilities	11.11	15.87	2.13	2.13	7.18	4.43
Other current financial liabilities	147.58	147.58	147.58	-	-	-
	2,335.53	**2,544.77**	**1,760.62**	**415.88**	**363.84**	**4.43**

March 31, 2022		Contractual cash flows				
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Secured loans	311.09	322.17	322.17	-	-	-
Unsecured loans	42.14	45.56	45.56	-	-	-
Trade payables	1,443.38	1,443.38	1,443.38	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.07	3.07	3.07	-	-	-
Lease liabilities	6.08	9.72	1.08	1.15	3.80	3.69
Other current financial liabilities	70.82	70.82	70.82	-	-	-
Derivative financial liabilities						
Forward exchange contracts used for hedging:						
Outflow	20.37	742.29	742.29	-	-	-
Inflow	-	(721.92)	(721.92)	-	-	-
	1,901.54	**1,919.68**	**1,911.04**	**1.15**	**3.80**	**3.69**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

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(Currency: Indian rupees in crore)

iii Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the risk management committee. The Company has applied hedge accounting to manage volatility in profit or loss on account of foreign currency risk during the year ended 31 March 2023.

(a) Currency Risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2023 are as below:

Amounts in INR	USD	AUD	EUR	Others *
Financial assets				
Trade receivables	136.21	-	-	-
Loan given to subsidiaries	1,222.04	-	-	-
Interest accrued on loans to subsidiaries and other receivable from subsidiary	63.19	-	-	-
Cash and Cash Equivalents	0.05	-	-	-
Recoverable amounts	134.13	0.31	8.23	7.77
Other receivables	249.71	-	-	-
Exposure to foreign currency assets	**1,805.33**	**-**	**8.23**	**7.77**
Less: Forward exchange contract	-	-	-	-
Net exposure to foreign currency assets	**1,805.33**	**0.31**	**8.23**	**7.77**
Financial liabilities				
Trade payables and other payable	9.61	0.07	0.59	0.02
Exposure to foreign currency liabilities	**9.61**	**0.07**	**0.59**	**0.02**
Less: Forward exchange contract	-	-	-	-
Net exposure to foreign currency liabilities	**9.61**	**0.07**	**0.59**	**0.02**
Net Exposure	**1,795.72**	**0.24**	**7.64**	**7.75**

*others include CHF, AED, and EGP

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The currency profile of financial assets and financial liabilities as at 31 March 2022 are as below:

Amounts in INR million	USD	AUD	EUR	Others *
Financial assets				
Trade receivables	181.09	-	-	-
Loan given to subsidiaries	110.66	-	-	-
Interest accrued on loans to subsidiaries and other receivable from subsidiary	-	-	-	-
Cash and Cash Equivalents	-	-	-	-
Recoverable amounts	448.88	183.00	46.27	-
Other receivables	421.93	-	-	-
Exposure to foreign currency assets	**1,162.56**	**183.00**	**46.27**	**-**
Less: Forward exchange contract	-	-	-	-
Net exposure to foreign currency assets	**1,162.56**	**183.00**	**46.27**	**-**
Financial liabilities				
Trade payables and other payable	972.39	-	0.55	0.10
Exposure to foreign currency liabilities	**972.39**	**-**	**0.55**	**0.10**
Less: Forward exchange contract	-	-	-	-
Net exposure to foreign currency liabilities	**972.39**	**-**	**0.55**	**0.10**
Net Exposure	**190.17**	**183.00**	**45.72**	**(0.10)**

*others include CHF, AED, JOD, and EGP

Sensitivity analysis

A 5% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in INR crore	March 31, 2023 Profit or loss		March 31, 2022 Profit or loss	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
USD	89.79	(89.79)	9.51	(9.51)
AUD	0.01	(0.01)	9.15	(9.15)
EUR	0.38	(0.38)	2.29	(2.29)
Others	0.39	(0.39)	(0.01)	0.01

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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c. **Hedge accounting**

Cash flow hedges

At 31 March 2023, the Company holds the following instruments to hedge exposures to changes in foreign currency.

Foreign currency risk	Maturity analysis		
	1-6 months	6-12 months	More than 1 year
Foreign exchange forward contracts			
Net exposure (loss) / gain (₹ in crore)	3.72	-	-
Average GBP:INR forward contract rate	101.00	-	-

The amounts at the reporting date relating to items designated as hedged items are as follows

Foreign currency risk	Change in value used for calculating hedge ineffectivness	Effective portion of cash flow hedges	Costs of hedging	Balances remaining in equity head 'effective portion of cash flow hedges' from hedging relationships for which hedge accounting is no longer applied
31 March 2023				
Foreign currency risk				
Foreign currency payable - Receivable (GBP) and payable (INR)	-	3.72	-	-
	-	**3.72**	**-**	**-**

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

Foreign currency risk	March 31, 2023			During the year ended March 31, 2023		
	Carrying amount					
	Nominal amount	Assets	Liabilities	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI
31 March 2023						
AUD-USD	-	-	-	20.37	-	-
USD-INR*	-	-	-	0.00	-	-
GBP-INR	1.96	3.72	-	3.72	-	-

*Amount less than 0.01 crore

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The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting :

	March 31, 2023	
	Equity head	
	Effective portion of cash flow hedges	Cost of hedging
Balance as at 1 April 2022	**(15.25)**	**-**
Cash flow hedges		
Changes in fair value :		
Highly probable forecast cash flows – Trade receivables	35.87	-
Highly probable forecast cash flows – Trade payable and Letter of credit payable	0.00	-
Amount reclassified to profit or loss - Highly probable forecast cash flows – Trade receivables	(15.50)	-
Foreign currency payable - Advance from customers	3.72	
Amount included in the cost of non-financial items	-	-
Tax on movements in relevant items of OCI during the year	(5.13)	-
Tax on relevant items of OCI during the year reclassified to profit or loss	-	-
Balance as at 31 March 2023	**3.72**	**-**

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions.

For details of the Company's short-term loans and borrowings, including interest rate profiles, refer to Note 23 of these financial statements.

Particulars	March 31, 2023	March 31, 2022
Fixed rate instruments		
Financial assets	1,304.88	190.64
Financial liabilities	(1,809.21)	(312.94)
	(504.33)	**(122.30)**
Variable rate instruments		
Financial liabilities	(42.08)	(46.37)
	(42.08)	**(46.37)**

Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings and fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

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Interest rate sensitivity - variable rate instruments

INR	March 31, 2023		March 31, 2022	
	Profit or loss		Profit or loss	
	100 bp	100 bp	100 bp increase	100 bp decrease
Variable-rate instruments				
Borrowings	(0.42)	0.42	(0.46)	0.46
Cash flow sensitivity (net)	**(0.42)**	**0.42**	**(0.46)**	**0.46**

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

(c) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings and obligations under leases, less cash and cash equivalents. Adjusted equity comprises all components of equity. Charge for the year on goodwill amortisation has been deducted while calculating total equity of the company since it represents a pure non-cash expense.

The Company's adjusted net debt to equity ratio was as follows:

Particulars	March 31, 2023	March 31, 2022
Non-Current Borrowings	700.00	-
Borrowings	951.29	359.31
Current maturity of long-term debt	200.00	-
Gross debt	**1,851.29**	**359.31**
Less : Cash and cash equivalents	23.32	344.85
Adjusted net debt	**1,827.97**	**14.46**
Total equity	1,168.98	1,501.23
Adjusted net debt to adjusted equity ratio	**1.56**	**0.01**

53 On 29 December 2021, the Company has signed an Indemnity Agreement with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Company and its subsidiaries/branches for a net amount, if it exceeds ₹ 300.00 crore, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreements), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters. These amounts would be settled by 30 September 2022 and thereafter on 30 September of each succeeding year, on the basis of the final settlement amounts with customers/suppliers/other authorities. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees

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encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. The Promoter Selling Shareholders are consequently entitled to net off the amounts payable, with specific counter-claims levied and recovered by the Company and its subsidiaries/branches on its customers/vendors relating to these matters.

In line with the terms of the Indemnity Agreement, the Company has determined the crystallized claim to be levied on the Promoter Selling Shareholders for the period ending 30 September, 2022, after deduction of ₹ 300.00 crore to be borne by the Company and its subsidiaries/ branches, for which the provisions (including ₹ 142.14 crore by the Company's subsidiaries) were recorded upto 31 December, 2021. The Company has aligned a part of this provision along certain financial heads in keeping with the crystallized claims as on 30 September 2022. Consequently, this has resulted in an increase in Other Income by ₹ 90.35 crore which has been offset by a reduction in Revenue from operations by ₹ 90.35 crore. This has no impact on the loss after tax for the year ended 31 March, 2023.

During the current year, the Company had raised Indemnity Calculation Notice on the Promoter Selling Shareholders towards the crystallized claim amounting to ₹ 90.14 crore comprising of ₹ 66.67 crore against indemnity matters and ₹ 23.47 crore towards legal fees paid by the Company for matters under dispute. As of 31 March 2023, ₹ 11.47 crore relating to legal fees was outstanding, which has been received subsequent to the year end.

54 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, 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 wherein they also assured the Company that they would make the payment if the customer failed to pay. As on date, the customer owes the Company ₹ 92.45 crore. In addition, an amount of ₹ 64.10 crore under confirmed, irrevocable Letters of Credit arranged by the customer from their bank mainly for the supplies which had been discounted by the Company, after confirmation, both from the customer and their bank, became due. Due to the NCLT actions against the customer group, the customer's bank refused to make the payment to the Company's bank citing prevention against doing the same due to the NCLT order, and the Company had to return the amount back to its bank.

During the year ended 31 March 2020, the Company had initiated legal proceedings in both these matters, which are now pending with the National Company Law Appellate Tribunal. Further, during the year ended 31 March 2023, the Company has filed a criminal complaint against the developer.

The Company has sought legal opinions regarding the amount due from the developer as per their assurance letter and from the customer's bank due to failure to pay confirmed Letters of Credit and has been advised that the said amounts are recoverable. The amount of ₹ 92.45 crore and ₹ 64.10 crore is shown under the head Trade Receivables and Other Financial Assets, respectively. Both the above are covered under the Indemnity Agreement as given in Note 53 above.

55 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 balance outstanding as at the beginning of the previou year was entirely repaid during the previous year along with all interest accrued thereagainst.

The Company has responded to queries on this matter raised by the concerned authorities. The Company, based on independent opinions from legal experts, has determined that there is no non-compliance with any provisions of the Companies Act, 2013 and/or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, by the Company, in respect of this matter.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

56 During the current year, the managerial remuneration paid by the Company in relation to its Manager is in excess of the limits laid down under Section 197 of the Companies Act, 2013, read with schedule V to the Act by ₹ 1.00 crore. The Company is in the process of obtaining approval for ₹ 1.00 crore towards the managerial remuneration for the financial year 2022-2023 from its shareholders at the forthcoming annual general meeting.

57 The Company's international transactions with related parties are at arm's length as per the Independent accountants report for the year ended 31 March 2022. Management believes that the Company's international transactions with related parties post 31 March 2022 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these standalone financial statements, particularly on amount of tax expense and that of provision for taxation.

58 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code of Social Security, 2020 on 13 Novemeber 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

59 Disclosure of balances with companies struck off by the Registrar of Companies ('RoC')

Sr. no.	Name of Struck off Company	Nature of transactions with Struck off Company	Relationship with the Struck off Company	Balance outstanding as at 31 March 2023	Balance outstanding as at 31 March 2022
1	Technoindus Infrastructure And Services Private Limited	Trade payable	None	0.03	0.03
2	Linear Point Surveys Pvt. Ltd.	Trade payable	None	0.04	0.04
				0.07	**0.07**

60 Other matters

Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year.

The attached notes 1 - 60 are an integral part of these standalone financial statements.

As per our report of even date attached.

For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Chandra Thakur
Manager
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 20, 2023

Mumbai
April 20, 2023

FORM AOC- 1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with ₹ in Crore)

1. Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2. Name of the subsidiary	Esterlina Solar Engineers Private Limited	Sterling and Wilson International Solar FZCO	Sterling and Wilson (Thailand) Limited	Sterling and Wilson Saudi Arabia Limited	Sterling and Wilson Solar LLC	Sterling and Wilson Middle East Solar Energy LLC	Sterling and Wilson Singapore Pte Ltd	Sterling and Wilson Engineering (Pty) Ltd	Sterling and Wilson Solar Solutions LLC	Sterling and Wilson Solar Spain, S.L.	Sterling and Wilson Solar Solutions Inc	GCO Solar Pty. Limited	Sterling and Wilson Solar Australia Pty Ltd.	Sterling and Wilson Solar Malaysia SDN. BHD	Sterling and Wilson Renewable Energy Spain S.L.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period															
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	AED / 22.3658	TBH / 2.40351	SAR / 21.8786	OMR / 212.717	AED / 22.3658	SGD / 61.7959	ZAR / 4.61536	USD / 82.1593	Euro / 89.3652	USD / 82.1593	AUD / 55.0284	AUD / 55.0284	MYR / 18.6056	Euro / 89.3652
5. Share capital	0.01	369.28	0.00	1.74	2.69	0.62	0.31	0.00	1.89	0.04	0.00	17.57	0.02	-	0.08
6. Reserves & surplus	0.15	(112.62)	(0.12)	(3.40)	1.20	28.63	(1.75)	(15.04)	0.12	(31.87)	(445.30)	(154.58)	(698.08)	-	(0.01)
7. Total Assets	0.29	1,988.54	-	0.04	12.53	45.53	0.12	18.74	2.01	3.98	632.83	22.11	214.85	-	0.07
8. Total Liabilities	0.13	1,731.87	0.12	1.70	8.63	16.28	1.57	33.78	-	35.81	1,078.13	159.12	912.91	-	0.01
9. Investments	-	9.45	-	-	-	-	0.03	-	-	-	-	-	-	-	-
10. Turnover	-	554.69	-	-	4.62	9.33	-	13.14	-	-	442.36	75.67	74.38	-	-
11. Profit / (loss) before taxation	0.01	(312.85)	-	-	(0.89)	(39.69)	(0.15)	(1.65)	-	(8.17)	(254.64)	(29.04)	(320.54)	0.72	(0.02)
12. Provision for taxation	-	-	-	-	-	-	-	(0.44)	-	-	0.66	-	-	-	-
13. Profit / (loss) after taxation	0.01	(312.85)	-	-	(0.89)	(39.69)	(0.15)	(1.21)	-	(8.17)	(255.30)	(29.04)	(320.54)	0.72	(0.02)
14. Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15. % of shareholding	100%	100%	100%	95%	70%	100%	100%	60%	100%	99%	100%	100%	100%	100%	99%

Notes:

1. The following subsidiaries are yet to commence operations and hence there are no transactions or balances:

Esterlina Solar – Proyecto Uno, S.L.

Esterlina Solar-Proyecto Dos, S.L.

Esterlina Solar – Proyecto Tres, S.L.

Esterlina Solar – Proyecto Cuatro, S.L.

Esterlina Solar – Proyecto Cinco, S.L.

Esterlina Solar – Proyecto Seis, S.L.

Esterlina Solar – Proyecto Siete, S.L.

Esterlina Solar – Proyecto Ocho, S.L.

Esterlina Solar – Proyecto Nueve, S.L.

Sterling and Wilson Renewable Energy Nigeria Limited

2. Sterling and Wilson Solar Malaysia SDN. BHD, a step down Subsidiary of the Company has been struck-off from the Companies Commission of Malaysia on January 20, 2023

Part "B": Associates and Joint Ventures

As on March 31, 2023, the Company does not have any Associate and/or Joint Venture with any other Company.

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905

Pallon Mistry
Director
DIN: 05229734

Chandra Thakur
Manager

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808

Independent Auditors' Report

TO THE MEMBERS OF
STERLING AND WILSON RENEWABLE ENERGY LIMITED
(Formerly known as Sterling and Wilson Solar Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited) (hereinafter referred to as "the Parent Company") and its subsidiaries (Parent Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income/Loss), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the branch auditors and other auditors on separate financial statements of the subsidiaries / financial information of the branches referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of the consolidated loss, consolidated total comprehensive loss, consolidated statement of changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the branch auditors and other auditors referred to in paragraph (i) and (ii) of the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matters

We draw attention to:

i) Note 58 to the consolidated financial statements which describes the Indemnity Agreement dated December 29, 2021, entered into by the Parent Company with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Parent Company and its subsidiaries / branches for a net amount, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreement), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters, if such claims (net of receivables) exceeds ₹ 300 crore. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. Since all future crystallized claims beyond ₹ 300 crores will be fully charged back and recovered from the Promoter Selling Shareholders, there will be no further impact on the results of the Parent Company and its subsidiaries.

ii) Note 42 (E) to the consolidated financial statements which describes the uncertainty related to the recoverability of remediation costs amounting to ₹ 460.49 crore (USD 56.07 million) incurred by one of the subsidiary company of the Group in a particular geography due to delays and default by a sub-contractor. The sub-contractor has filed a counter claim on the subsidiary company of the Group for approximately ₹ 157.44 crore (USD 19.17 million). In the opinion of the Management and based on conclusion memorandum of the external legal firm obtained, the subsidiary company of the Group is confident of recovering

FINANCIAL STATEMENTS

the above-mentioned remediation cost and believes that the subcontractor's claim of ₹ 157.44 crore (USD 19.17 million) is not tenable and hence not provided for.

iii) Note 60 to the consolidated financial statements where the subsidiary company of the Group has incurred costs amounting to ₹ 21.68 crore (USD 2.64 million) on account of remediation cost in respect of defective parts supplied by a supplier. Management is confident of recovery of the same.

iv) Note 62 to the consolidated financial statements in respect of the managerial remuneration paid by the Company during the year in relation to its Manager exceeding the limit prescribed under Section 197 of the Act, read with Schedule V of the Act by ₹ 1.00 crore. The same needs to be ratified by the shareholders by a special resolution in the forthcoming Annual General Meeting of the Company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Principal Audit Procedures performed
1.	**Revenue recognition of Engineering, Procurement and Commissioning Contracts (EPC Contracts) – Estimated Costs to Complete** (Refer Note 31 of the Consolidated Financial Statements). The Group follows a Percentage of Completion Method for Revenue Recognition of Engineering, Procurement and Commissioning (EPC) Contracts which involves actual cost and estimate / forecast for balance cost. Due to significant judgment involved in the estimation of the total revenue, costs to complete and the revenue that should be recognized and significant audit risk of overstatement, we have considered Revenue Recognition – Estimated cost to complete EPC Contracts as a key audit matter.	Understood the Management controls around estimation process and derivation of the estimated cost (Cost to Complete) thereof. Evaluated and tested the design, implementation and operating effectiveness of controls addressing this risk. Reviewed the Company's accounting policies with respect to accounting and revenue recognition relating to EPC Contracts. Obtained the list of all the contracts for which the Group has recognised revenue during the year and selected samples on which we conducted our test of details. For selected samples we have: - Obtained the Job Status Report ("JSR") / Percentage of Completion ("POC") working for EPC Contracts and traced the same to financial statements and general ledgers. - Verified the executed version of contracts and its amendments for key terms and milestones to verify the estimated total revenue and costs to complete and / or any changes thereto; - Inquired with the project and commercial departments about significant modification to Cost to Complete, evaluated and challenged rationale for modification - Evaluated key Management estimates used in determining cost to complete by comparing it with prior periods and past precedents. - Verified the approval documents for change in the estimated cost during the year and if there is change in the margin due to addition / deletion of items in Bill of Quantity (Forecast) ("BOQ") / JSR / POC, the approval of the Global Chief Executive Officer is obtained.

2.	**Litigated Overdue Receivables** (Refer Note 12, 17, 42, 57, 58, 59 and 60 of the Consolidated Financial Statements). We considered this as key audit matter on account of risk associated with litigated overdue receivables, the Company's assessment of the recoverability of these receivables and consequent determination of provision which requires significant Management estimates and judgments.	- Understood the processes and controls around estimation process of recoverability and provision thereof. - Verified the completeness and accuracy of data considered for ageing analysis and assessment of recoverability of receivables in respect of receivables not covered under indemnity and determination of the provision. - Wherever required, obtained the legal opinions for evaluating the case position and assessing the potential outcome.

Information Other than the Consolidated Financial Statements and the Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Report on Corporate Governance but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind-AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities (including branches) included in the consolidated financial statements of which we are the independent auditors. For the other entities (including branches) included in the consolidated financial statements, which have been audited by other auditors and branch auditors, such other auditors and branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (i) and (ii) of the section titled "Other Matters" in this audit report.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

i) We have not audited the annual financial statements of 16 branches included in the standalone financial statements of the Parent Company, whose annual financial statements reflect total assets (before consolidation adjustments) of ₹ 767.57 crore as at March 31, 2023 and total revenues (before consolidation adjustments) of ₹ 856.42 crore, total net loss after tax (before consolidation adjustments) of ₹ 229.56 crore, total comprehensive loss (before consolidation adjustments) of ₹ 229.56 crore for and net cash outflows of ₹ 56.07 crore for the year ended on that date as considered in the standalone financial statements of the Parent Company.

The annual financial statements of these branches have been audited by the respective branch auditors whose reports have been furnished to us, and our conclusion / opinion 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 Auditor's Responsibilities section above.

ii) We did not audit the annual financial statements of 8 subsidiaries included in the consolidated financial statements of the Group, whose annual financial statements reflect total assets (before consolidation adjustments) of ₹ 1,199.94 crore as at March 31, 2023 and total revenues (before consolidation adjustments) of ₹ 1,154.42 crore, total net loss after tax (before consolidation adjustments) of ₹ 997.11 crore, total comprehensive loss (before consolidation adjustments) of ₹ 996.40 crore and net cash outflows of ₹ 85.94 crore for the year ended on that date as considered in the audited consolidated financial statements of the Group.

The annual financial statements of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial 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 Auditor's Responsibilities section above.

iii) The branches and subsidiaries referred to above are located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by the respective branch auditors and other auditors under generally accepted auditing standards applicable in their respective countries. The Parent Company's Management has converted the financial statements of such branches and subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent Company's Management.

Our opinion 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 Company and audited by us.

iv) The Statement includes the annual financial statements / financial information of 19 subsidiaries which have not been audited, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 4.50 crore as at March 31, 2023 total revenues (before consolidation adjustments) of ₹ Nil, total net loss after tax (before consolidation adjustments) of ₹ 7.74 crore, total comprehensive loss (before consolidation adjustments) of ₹ 7.45 crore and net cash outflows of ₹ 1.86 crore for the year ended on that date as considered in the consolidated financial statement. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion and 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 such unaudited financial statements/ financial information.

In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements / financial information are not material to the Group.

v) Attention is drawn to the fact that the figures in the financial statement for the financial year ended March 31, 2022, were audited by one of us, whose audit report(s) expressed an unmodified opinion with an Emphasis of matters paragraph for the above periods.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors, other auditor of the subsidiaries and the financial statements / financial information certified by the Management or on the comparative information.

Report on Other Legal and Regulatory Requirements

1. As required by Section143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements of the subsidiaries / financial information of the branches referred to in the Other Matters section above we report to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept and proper returns adequate for the purposes of our audit have been received from the branches not visited so far as it appears from our examination of those books, returns and the reports of the other auditors, except for keeping backup on daily basis of such books of account maintained by certain branches in electronic mode, in a server physically located in India.

    c) The reports on the accounts of the branch offices of the Company included in the Group audited under Section 143(8) of the Act by branch auditors have been sent to us by other auditors and have been properly dealt with by us in preparing this report.

    d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, and the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received by us and the other auditors from the branches not visited by us.

    e) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    f) On the basis of the written representations received from the Directors of the Parent Company as on March 31, 2023, which are taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group are disqualified as on March 31, 2023, from being appointed as a Director in terms of Section 164(2) of the Act.

    g) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in the paragraph (b) above.

    h) With respect to the adequacy of the internal financial controls over financial reporting with reference to consolidated financial statements of the Parent Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

    i) In our opinion and the best of our information and according to the explanations given to us and based on our examination of the records of the Parent Company, as referred in paragraph (iv) of the Emphasis of Matters, in respect of the managerial remuneration paid to its Manager by the Parent Company during the year exceeds the limit prescribed under Section 197 of the Act read with Schedule V of the Act by ₹ 1.00 crore. The same needs to be ratified by the shareholders in the forthcoming General meeting of the Parent Company.

    j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i) The Group has disclosed the impact of pending litigations on its consolidated financial position. Refer Note 42 to the consolidated financial statements.

        ii) The Group has made provisions, as required under applicable laws or Accounting Standards for material foreseeable losses, if any, on long-term contracts - Refer Note 29 to the consolidated financial statements. The Group does not have any long-term derivative contract.

        iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary company incorporated in India.

iv) The respective Management of the Parent Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and to the other auditors of such subsidiary respectively that:

a) to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures performed by us and those performed by the other auditor of the subsidiary company incorporated in India, which is considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) contain any material misstatement.

v) As per information and explanation represented by Management and based on the records of the Parent Company, no dividend has been declared or paid during the year by the Parent Company and its subsidiaries incorporated in India and has not proposed final dividend for the year, hence the compliance with Section 123 of the Act is not applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4(xxi) of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and report issued by other auditors of its subsidiary company included in the consolidated financial statements of the Parent Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
PARTNER
M. No.: 42454
UDIN: 23042454BGXFQD7773
Mumbai: April 20, 2023.

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 117366W-W-100018

Mohammed Bengali
PARTNER
M. No.: 105828
UDIN: 23105828BGWPIG6415
Mumbai: April 20, 2023.

Annexure A to the Independent Auditor's Report

Referred to in Para (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Group on the consolidated financial statements for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to consolidated financial statements of **STERLING AND WILSON RENEWABLE ENERGY LIMITED (Formerly known as Sterling and Wilson Solar Limited)** (hereinafter referred to as "the Parent Company"), and its subsidiary company incorporated in India (together referred to as "the Group"), as of March 31, 2023, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors and other auditors of the subsidiary incorporated in India in terms of their report referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors and other auditors referred to in the Other Matters paragraph below, the Parent Company and such subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

We did not audit the internal financial controls with reference to financial information of 16 branches (in Australia, Argentina, Chile, Dubai, Egypt, Indonesia, Jordan, Kenya, Mexico, Namibia, Philippines, United Kingdom, Vietnam and Zambia) included in the standalone financial statement of the Parent Company. The internal financial controls with reference to financial information of these branches have been audited by the branch auditors whose reports have been furnished to us.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to these 16 branches, is based solely on the corresponding reports of the branch auditors and other auditors of such subsidiary company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
PARTNER
M. No.: 42454
UDIN: 23042454BGXFQD7773
Mumbai: April 20, 2023.

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 117366W-W-100018

Mohammed Bengali
PARTNER
M. No.: 105828
UDIN: 23105828BGWPIG6415
Mumbai: April 20, 2023.

Consolidated Balance Sheet as at March 31, 2023

(Currency: Indian rupees in crore)

			Note	March 31, 2023	March 31, 2022
		Assets			
1		**Non-current assets**			
	(a)	Property, plant and equipment	5	26.11	25.76
	(b)	Capital work-in-progress	5	0.08	0.07
	(c)	Right-of-use assets	48	12.26	9.44
	(d)	Other intangible assets	6	5.87	6.99
	(e)	Intangible assets under development	6	-	0.32
	(f)	Financial assets			
		(i) Other financial assets	7	11.06	4.77
	(g)	Deferred tax assets (net)	8	98.11	100.88
	(h)	Non current tax assets (net)	9	61.35	42.86
	(i)	Other non-current assets	10	1.85	1.85
		Total non-current assets		**216.69**	**192.94**
2		**Current assets**			
	(a)	Inventories	11	1.57	3.90
	(b)	Financial assets			
		(i) Trade receivables	12	790.25	783.96
		(ii) Cash and cash equivalents	13	47.90	457.51
		(iii) Bank balances other than cash and cash equivalents	14	47.28	46.53
		(iv) Loans	15	2.17	1.14
		(v) Derivatives	16	3.72	-
		(vi) Other financial assets	17	1,260.72	761.10
	(c)	Current tax assets (net)	18	1.70	1.96
	(d)	Other current assets	19	818.37	1,250.95
		Total current assets		**2,973.68**	**3,307.05**
		Total assets		**3,190.37**	**3,499.99**
		Equity and liabilities			
		Equity			
	(a)	Equity share capital	20	18.97	18.97
	(b)	Other equity	21	(244.05)	897.79
		Total equity attributable to owners of the Company		**(225.08)**	**916.76**
		Non-controlling interests	55	(15.22)	(10.93)
		Total equity		**(240.30)**	**905.83**
		Liabilities			
1		**Non-current liabilities**			
	(a)	Financial liabilities			
		(i) Borrowings	22	700.00	0.00
		(ii) Lease liabilities	48	11.09	7.95
	(b)	Provisions	23	19.24	25.46
		Total non-current liabilities		**730.33**	**33.41**
2		**Current liabilities**			
	(a)	Financial liabilities			
		(i) Borrowings	24	1,314.95	435.06
		(ii) Lease liabilities	48	3.57	3.20
		(iii) Trade payables	25		
		Total outstanding dues of micro enterprises and small enterprises		9.72	19.16
		Total outstanding dues of creditors other than micro enterprises and small enterprises		640.24	1,383.70
		(iv) Derivatives	26	-	20.37
		(v) Other financial liabilities	27	49.58	34.84
	(b)	Other current liabilities	28	602.89	442.43
	(c)	Provisions	29	74.37	211.80
	(d)	Current tax liabilities (net)	30	5.02	10.19
		Total current liabilities		**2,700.34**	**2,560.75**
		Total liabilities		**3,430.67**	**2,594.16**
		Total equity and liabilities		**3,190.37**	**3,499.99**

The attached notes 1 to 64 are an integral part of these consolidated financial statements.

As per our report of even date attached.

For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

Chandra Thakur
Manager
Mumbai

Mumbai
April 20, 2023

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 20, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023 (Currency: Indian rupees in crore)

	Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
	Income			
I	Revenue from operations	31	2,015.01	5,198.94
II	Other income	32	110.86	94.70
III	**Total income (I+II)**		**2,125.87**	**5,293.64**
IV	**Expenses**			
	Cost of construction materials, stores and spare parts	33	1,210.50	2,419.44
	Changes in inventories of stock-in-trade	34	-	-
	Direct project costs	35	1,549.97	3,235.52
	Employee benefits expense	36	247.85	227.89
	Finance costs	37	144.91	76.71
	Depreciation and amortisation expense	38	14.70	14.67
	Other expenses	39	136.68	229.57
	Total expenses (IV)		**3,304.61**	**6,203.80**
V	**Consolidated (loss) before income tax (III-IV)**		**(1,178.74)**	**(910.16)**
VI	**Tax expense:**	40		
	Current tax			
	Current tax relating to current year		6.66	-
	Current tax relating to earlier period		(8.09)	3.70
	Deferred tax (credit) / expenses		(2.35)	1.90
			(3.78)	5.60
VII	**Consolidated (loss) for the year after income tax (V-VI)**		**(1,174.96)**	**(915.76)**
VIII	**Other comprehensive (loss) / income**			
	Items that will not be reclassified subsequently to profit or loss:			
	(i) Remeasurements of defined benefit liability		0.81	1.55
	(ii) Income tax relating to the items that will not be reclassified to profit and loss		-	(0.15)
	Items that will be reclassified subsequently to profit or loss:			
	(i) Effective portion of gain on hedging instruments in cash flow hedges		39.56	21.39
	(ii) Effective portion of (gain) / losses on hedging instruments in cash flow hedges reclassified to profit or loss		(15.50)	55.13
	(iii) Income tax relating to items that will be reclassified to profit or loss		(5.13)	(17.65)
	(iv) Exchange differences in translating financial statements of foreign operations		5.74	9.89
	Other comprehensive income for the year, net of income tax		**25.48**	**70.16**
IX	**Total comprehensive (loss) for the year**		**(1,149.48)**	**(845.60)**
	Consolidated (loss) attributable to:			
	Owners of the Company		(1,169.55)	(909.46)
	Non-controlling interests	55	(5.41)	(6.30)
	Consolidated (loss) for the year		**(1,174.96)**	**(915.76)**
	Other comprehensive income / (loss) attributable to:			
	Owners of the Company		24.37	70.59
	Non-controlling interests	55	1.11	(0.43)
	Other comprehensive income for the year		**25.48**	**70.16**
	Total comprehensive (loss) attributable to:			
	Owners of the Company		(1,145.18)	(838.87)
	Non-controlling interests		(4.30)	(6.73)
	Total comprehensive (loss) for the year		**(1,149.48)**	**(845.60)**
X	**Earnings per equity share**			
	Basic and diluted earnings per share (₹) (face value of Re 1 each)	41	**(61.65)**	**(54.21)**

The attached notes 1 to 64 are an integral part of these consolidated financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Chandra Thakur
Manager
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai

Mumbai
April 20, 2023

April 20, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

A. Equity Share Capital

Particulars	March 31, 2023	March 31, 2022
Balance as at the beginning of the year	18.97	16.04
Add: Changes in equity share capital during the year	-	2.93
Balance at the end of the year	**18.97**	**18.97**

B. Other Equity

	Attributable to the Owners of the Company										Attributable to non-controlling interests of the Company	Total
	Reserves and Surplus							Items of other comprehensive income / (loss)		Total attributable to owners of the parent		
	Capital reserve on Demerger	Capital Reserve	Legal Reserve	Capital redemption reserve*	Employee stock option reserve	Securities premium reserve	Retained earnings	Effective portion of cash flow hedge	Foreign currency translation reserve			
Balance as at April 1, 2022	**(181.74)**	**(1.65)**	**1.21**	**0.00**	**3.71**	**1,087.12**	**(6.14)**	**(15.21)**	**10.49**	**897.79**	**(10.93)**	**886.86**
Adjustments:												
Total comprehensive income / (loss) for the year												
(Loss) for the year	-	-	-	-	-		(1,169.55)	-	-	(1,169.55)	(5.41)	(1,174.96)
Employee stock option reserve for the current year	-	-	-	-	3.34	-	-	-	-	3.34	-	3.34
Items of OCI for the year, net of tax:												
Remeasurement of the defined benefit liability	-	-	-	-	-	-	0.81	-	-	0.81	-	0.81
Gain on hedging instruments in cash flow hedges, net of tax	-	-	-	-	-	-	-	34.43	-	34.43	-	34.43
Effective portion of (gain) on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	-	-	-	-	-	-	-	(15.50)	-	(15.50)	-	(15.50)
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	-	4.63	4.63	1.11	5.74
Total comprehensive income / (loss) for the year	**-**	**-**	**-**	**-**	**3.34**	**-**	**(1,168.74)**	**18.93**	**4.63**	**(1,141.84)**	**(4.30)**	**(1,146.14)**
Balance as at March 31, 2023	**(181.74)**	**(1.65)**	**1.21**	**0.00**	**7.05**	**1,087.12**	**(1,174.88)**	**3.72**	**15.12**	**(244.05)**	**(15.22)**	**(259.27)**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

	Attributable to the Owners of the Company										Attributable to non-controlling interests of the Company	Total
	Reserves and Surplus							Items of other comprehensive income / (loss)		Total attributable to owners of the parent		
	Capital reserve on Demerger	Capital Reserve	Legal Reserve	Capital redemption reserve*	Employee stock option reserve	Securities premium reserve	Retained earnings	Effective portion of cash flow hedge	Foreign currency translation reserve			
Balance as at April 1, 2021	**(181.74)**	**(1.65)**	**1.21**	**0.00**	**-**	**-**	**901.92**	**(74.08)**	**0.18**	**645.84**	**(4.10)**	**641.74**
Adjustments:												
Total comprehensive income / (loss) for the year												
(Loss) for the year	-	-	-	-	-	-	(909.46)	-	-	(909.46)	(6.30)	(915.76)
Employee stock option reserve for the current year	-	-	-	-	3.71	-	-	-	-	3.71	-	3.71
Items of OCI for the year, net of tax:												
Remeasurement of the defined benefit liability	-	-	-	-	-	-	1.40	-	-	1.40	-	1.40
Gain on hedging instruments in cash flow hedges, net of tax	-	-	-	-	-	-	-	17.62	-	17.62	-	17.62
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax	-	-	-	-	-	-	-	41.25	-	41.25	-	41.25
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	-	10.31	10.31	(0.53)	9.78
Total comprehensive income / (loss) for the year	**-**	**-**	**-**	**-**	**3.71**	**-**	**(908.06)**	**58.87**	**10.31**	**(835.17)**	**(6.83)**	**(842.00)**
Transactions with owners, recorded directly in equity												
Securities premium on issue of equity shares (net of share issue expenses)	-	-	-	-	-	1,087.12	-	-	-	1,087.12	-	1,087.12
Balance as at March 31, 2022	**(181.74)**	**(1.65)**	**1.21**	**0.00**	**3.71**	**1,087.12**	**(6.14)**	**(15.21)**	**10.49**	**897.79**	**(10.93)**	**886.86**

*Amount less than ₹ 0.01 crore

The attached notes 1 to 64 are an integral part of these consolidated financial statements.

As per our report of even date attached.

For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

Mumbai
April 20, 2023

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
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Chief Financial Officer
Membership No: 48936
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Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 20, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

			For the year ended March 31, 2023	For the year ended March 31, 2022
A)	**Cash flow from operating activities**			
	(Loss) before tax		(1,178.74)	(910.16)
	Adjustments for:			
	Depreciation and amortisation expense		14.70	14.67
	Expected credit loss on financial assets		7.50	6.66
	Bad debts written off		9.76	18.78
	Expected credit loss on financial assets no longer required		(35.21)	(16.69)
	Profit on sale of property, plant and equipments (net)		(0.00)	(1.01)
	Provision for liquidated damages		11.07	159.66
	Provision for foreseeable losses		18.12	-
	Finance costs		144.91	76.71
	Interest income		(4.38)	(40.57)
	Unrealised foreign exchange (gain) / loss (net)		(32.71)	5.46
	Liabilities no longer required		(59.83)	(3.29)
	Operating (loss) before working capital changes		**(1,104.81)**	**(689.78)**
	Working capital adjustments:			
	Decrease / (increase) in inventories		2.33	(0.81)
	Decrease in trade receivables		34.73	64.94
	(Increase) in loans and advances		(1.02)	(0.40)
	(Increase) in other financial assets and derivative assets		(488.94)	(541.66)
	Decrease / (increase) in other current assets		432.58	(24.04)
	Decrease / (increase) in restricted cash		0.25	(0.61)
	(Decrease) in trade payable, derivatives, other financial liabilities, other liabilities and provisions		(687.94)	(504.33)
	Decrease in other non-current assets		-	12.60
	Net change in working capital		**(708.01)**	**(994.31)**
	Cash flows (used in) operating activities		(1,812.82)	(1,684.09)
	Income tax (paid) (net)		(22.13)	(15.56)
	Effects of exchange differences on translation of assets and liabilities		5.74	9.89
	Net cash flows (used in) operating activities	**(A)**	**(1,829.21)**	**(1,689.76)**
B)	**Cash flow from investing activities**			
	Purchase of property, plant and equipment, capital work in progress and intangible assets		(9.24)	(13.23)
	(Investment) / Redemption in short term fixed deposits (net)		(1.01)	25.21
	(Investment) / Redemption in long term fixed deposits		(6.00)	1.17
	Proceeds from sale of property, plant and equipment		0.09	3.04
	Interest received		4.38	47.60
	Inter-corporate deposits/loans repaid by fellow subsidiaries		-	885.25
	Net cash flows (used in) / generated from investing activities	**(B)**	**(11.78)**	**949.04**
C)	**Cash flow from financing activities**			
	(Repayment) of cash credit borrowings (net)		(4.29)	(51.42)
	Proceeds from secured and unsecured short-term borrowings (net)		84.18	18.13
	Proceeds from secured borrowings		1,500.00	-
	Proceeds from issue of equity shares (net of share issue expenses)		-	1,090.05
	Finance costs paid		(143.42)	(74.95)
	Repayment of lease liabilities		(5.21)	(3.67)
	Net cash flows generated from financing activities	**(C)**	**1,431.26**	**978.14**
	Net movement in currency translation	**(D)**	**0.12**	**0.27**
	Net (decrease) / increase in cash and cash equivalents	**(A+B+C+D)**	(409.61)	237.69
	Cash and cash equivalents at the beginning of the year		457.51	219.82
	Cash and cash equivalents at the end of the year		**47.90**	**457.51**

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(Currency : Indian Rupees in crore)

Notes :

1 The above Consolidated statement of cash flows has been prepared under the indirect method as set out in Indian Accounting standard 7 Statement of Cash Flows.

2 Current account balances with banks include ₹ 0.94 crore (March 31, 2022: ₹ 1.34 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, ₹ 1.72 crore (March 31, 2022: ₹ 1.57 crore) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (March 31, 2022: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

3 Cash comprises cash on hand and current accounts. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

		For the year ended March 31, 2023	For the year ended March 31, 2022
4	**Components of cash and cash equivalents**		
	Balance with banks		
	- in current accounts	46.87	457.15
	Cash on hand	1.03	0.36
		47.90	**457.51**

5 Changes in liabilities arising from financing activity, including both changes arising from cash flows and non-cash changes

Particulars	As at April 1, 2022	Changes considered in consolidated statement of cash-flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at March 31, 2023
Long-term borrowings*	0.00	700.00	-	700.00
Short-term borrowings	435.06	879.89	-	1,314.95
Lease liabilities	11.15	(5.21)	8.72	14.66

Particulars	As at April 1, 2021	Changes considered in consolidated statement of cash-flows	Non-cash changes on account of acquisition and others (including foreign exchange adjustment)	As at March 31, 2022
Long-term borrowings*	0.00	-	-	0.00
Short-term borrowings	468.35	(33.29)	0.00	435.06
Lease liabilities	10.68	(3.67)	4.14	11.15

* Amount is less than ₹ 0.01 crore

6 The above Consolidated statement of cash flows includes ₹ 3.21 crore (March 31, 2022: ₹ 3.81 crore) towards corporate social responsibility (refer note: 46).

The attached notes 1 to 64 are an integral part of these consolidated financial statements.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

Chandra Thakur
Manager
Mumbai

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 20, 2023

Mumbai
April 20, 2023

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

1 Background

Sterling and Wilson Renewable Energy Limited (Formerly known as Sterling and Wilson Solar Limited) ("the Company" or "Holding Company" or "Parent Company") was incorporated as a Private Limited Company on 9 March 2017 under the Companies Act, 2013. The Company is Solar EPC contractor with a PAN India presence and international operations in Middle East, South East Asia, Africa, Philippines, Thailand, Europe, South America, Latin America, Australia and USA. These consolidated financial statements comprise the Company and its subsidiaries (hereinafter collectively referred to as "the Group").

The Group is specialised in complete turn-key and Roof top solutions for Solar EPC solutions with having experience of executing more than 200 projects. The principal activity of the Group includes turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Renewable Energy Power projects and other related activities. The Group is also engaged in the business of : a) setting up of power plants, solar energy systems, renewable energy systems or any other facility including Hybrid Energy Systems and Energy Storage (BESS) and (ESS) plants with predominantly non fossil fuels to generate power and to produce and b) integrated solid waste/ biomass management including Waste to Energy using MSW (Municipal Solid Waste) as fuel for Power Generation, using Biomass as fuel for Power Generation, selective Power to Synthetic Gas using excess renewable power, Power Plant for the demand response market.

The Company was incorporated on 9 March 2017 as Rashmika Energy Private Limited. The Company was renamed as Sterling and Wilson Solar Private Limited on April 24, 2018. The Company was renamed to Sterling and Wilson Solar Limited on January 25, 2019 and thereafter renamed as Sterling and Wilson Renewable Energy Limited on November 16, 2021. The Company was listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India on August 20, 2019.

Effective 30 December 2021, the Company became an Associate of Shapoorji Pallonji and Company Private Limited ("SPCPL"). Prior to this date it was a subsidiary of SPCPL. Further, effective 6 January 2022, the Company also became an associate of Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) which is a wholly-owned subsidiary of Reliance Industries Limited.

2 Basis of preparation of the consolidated financial statements

a Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company at their meeting held on 20 April 2023.

b Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded off to the nearest two decimal places in crore, unless otherwise stated.

c Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- employee's defined benefit plan as per actuarial valuation.

d Use of estimates and judgments

The preparation of the consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2023 are as follows:

(i) Evaluation of percentage of completion

Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenue from the project or activity and foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the consolidated financial statements for the year in which such changes are determined.

(ii) Estimated useful lives of property, plant and equipment and Intangible assets

The Group estimates the useful lives of property, plant and equipment and intangible assets based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment and intangible assets is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different based from that prescribed in Schedule II of the Act, they are based on internal technical evaluation. Assumptions are also made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised. The estimation of residual value of assets is based on management's judgment about the condition of such asset at the point of sale of asset.

(iii) Recoverability of deferred income tax assets

In determining the recoverability of deferred income tax assets, the Group primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Group reviews its deferred income tax assets at every reporting year end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

(iv) Measurement of defined benefit obligations and other employee benefit obligations

The Group's net obligation in respect of gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years/periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the other long-term employment benefits.

The present value of the obligation is determined based on actuarial valuation at the balance sheet date by an Independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

(v) Provision for obsolete inventory

The Group reviews its inventory to assess loss on account of obsolescence on a regular basis. In determining whether provision for obsolescence should be recorded in the consolidated statement of profit and loss, the Group makes judgments as to whether there is any observable data indicating that there is any future salability of the product, including demand forecasts and shelf life of the product. The provision for obsolescence of inventory is based on the ageing and past movement of the inventory.

(vi) Impairment losses on financial assets

The Group reviews its financial assets to assess impairment at regular intervals. The Group's credit risk is primarily attributable to its financial assets. In determining whether impairment losses should be reported in the consolidated statement of profit and loss, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

(vii) Impairment losses on investment

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(viii) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:-

- Note 51 – financial instruments

(ix) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgement and estimates in recognising the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

(x) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

(xi) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

(xii) Determination of lease term and Discount rate

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(xiii) Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses Black-Scholes model.

The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 44 to the consolidated financial statements.

3 Significant accounting policies

3.1 Principles of consolidation

a Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2023. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., March 31, 2023. When the end of the reporting year of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the standalone financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

For a list of Legal entities / business fully included in these consolidated financial statements, refer Note 53 - List of branches and subsidiaries.

b Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

c Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of the Group.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest in joint venture or financial asset.

3.2 Business combinations

Business combinations (other than common control business combinations)

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the consolidated statement of profit and loss or OCI, as appropriate.

Common control transactions

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interests method as follows:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(ii) No adjustments are made to reflect fair values, or recognise any new assets and liabilities. Adjustments are only made to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

(iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

(v) The identity of the reserves are preserved and the reserves of the transferor become reserves of the transferee.

(vi) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

3.3 Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

Assets

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

(i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities

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

(i) it is expected to be settled in the Group's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) the Group does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

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

In respect of the Solar engineering, procurement and construction services (EPC) segment of the Group, the construction projects usually have short to medium gestation period and based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 18 months for the purpose of current - non-current classification of assets and liabilities. For the operations and maintenance operations, the operating cycle is ascertained as 12 months for the purpose of current – non-current classification of the assets and liabilities.

3.4 Foreign currency

(i) Foreign currency transactions

- ***Initial Recognition***

  All transactions that are not denominated in the Group's functional currency are foreign currency transactions. These transactions are

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

initially recorded in the functional currency by applying the appropriate daily rate which best approximates the actual rate of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the consolidated statement of profit and loss.

- *Measurement of foreign currency items at the reporting date*

  Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the consolidated statement of profit and loss, except exchange differences arising from the translation of the equity investments classified as fair value through OCI (FVOCI) which is recognised in OCI.

(ii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries and branches) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the consolidated statement profit and loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the consolidated statement of profit and loss.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

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In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

(i) **Financial assets at FVTPL:**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the consolidated statement of profit and loss.

(ii) **Financial assets at amortised cost:**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in the consolidated statement of profit and loss.

(iii) **Debt investments at FVOCI:**

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the consolidated statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the consolidated statement of profit and loss.

(iv) **Equity investments at FVOCI:**

These assets are subsequently measured at fair value. Dividends are recognised as income in the consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the consolidated statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit and loss. See Note 3.5 (e) for financial liabilities designated as hedging instruments.

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(c) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the consolidated statement of profit and loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the consolidated statement of profit and loss.

The Group designates certain derivatives as hedging instruments to hedge variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivatives is recognised immediately in the consolidated statement of profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to the consolidated statement of profit and loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for

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cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or for other cash flow hedges, it is reclassified to the consolidated statement of profit and loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the consolidated statement of profit and loss.

3.6 Fair Value

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) in the principal market for the asset or liability; or

(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 : quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting year.

3.7 Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses.

If the cost of an individual part of property, plant and equipment is significant relative to the total cost of the item, the individual part is accounted for and depreciated separately.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the subsequent expenditure can be measured reliably.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the consolidated statement of profit and loss as and when incurred.

Capital work in progress and Capital advances:

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

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Depreciation

Depreciation on property, plant and equipment has been provided using the straight line method over the estimated useful lives prescribed by Schedule II of the Act, except for certain items of plant and machinery (such as welding machine, drilling machine, porta cabin etc. whose useful life has been estimated to be five years) wherein depreciation is provided based on the estimated useful lives of the plant and machinery so acquired, determined by the Group's management based on the technical evaluation carried out by the projects team. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The useful lives used, as set out in the following table, lower than or higher than or as those specified in Schedule II of the Act as under :

Assets	Life in no. of years	Schedule II useful lives
Building	10 years to 30 years	30 years
Plant and equipment	2 years to 25 years	15 years
Furniture and fixtures	3 years to 10 years	10 years
Vehicles	3 years to 10 years	8 years to 10 years
Computer hardware	3 years to 6 years	3 years / 6 years

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

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

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase. The residual value of property, plant and equipment is estimated by management to be 5% of cost.

3.8 Goodwill

For measurement of goodwill that arises on a business combination, refer note 3.2. Subsequent measurement is at cost less any accumulated impairment losses.

3.9 Other intangible assets

Intangible assets comprise primarily of computer software (including enterprise systems) and licenses (including construction license and ISO license). Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Other intangible assets are amortised over an expected benefit period using straight line method. The useful lives used, as set out in the following table, higher than or as those specified in Schedule II of the Act as under:

Assets	Life in no. of years	Schedule II useful lives
Computer Software	1 years to 10 years	5 years
Licenses	5 years	5 years

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such changes is accounted for as a change in an accounting estimate.

Derecognition

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit and loss in the period the asset is derecognised.

3.10 Leases

At the inception of a contract, the Group assesses whether a contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Group assesses whether:

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- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- The Group has the right to direct the use of the asset.The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

As a lessee

Right-of-use assets:

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group measures right-of-use assets at cost less accumlated depreciation and any accumulated impairment losses.

Lease liabilities

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than 12 months or less and leases of low-value assets, including IT Equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Group's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

3.11 Inventories

Material at central stores comprises modules, wires, cables, components, stores and spares. Stock in trade comprises of land acquired for Solar EPC projects.

Inventories are valued at lower of cost or net realisable value; cost is determined on the moving weighted average method basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.12 Impairment

Impairment of non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

(i) Trade receivables, lease receivables and contract assets; and

(ii) Financial assets measured at amortised cost (other than trade receivables, lease receivables and contract assets).

In case of trade receivables, lease receivables and contract assets, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognition as loss allowance. For all other financial assets, expected

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credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible defaults events over the expected life of a financial asset. 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the consolidated statement of profit and loss.

Impairment of non-financial assets

The carrying amount of the Group's non-financial assets, other than inventories and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.13 Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if

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the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

(i) Defined contribution plans

A defined contribution plan is a plan for the post employment benefit of an employee under which the Group pays fixed periodic contributions into Provident Fund and Employee State Insurance Corporations in accordance with Indian regulations. The Group has no further legal or constructive obligation to pay once contributions are made. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the consolidated statement of profit and loss in the year during which the related services are rendered by employees. In respect of overseas entities, the Group's contribution towards defined contribution benefit plan is accrued in compliance with the domestic laws of the country in which the consolidated foreign entities operate.

(ii) Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

All remeasurement gains and losses arising from defined benefit plans are recognised in the consolidated statement of other comprehensive income in the period in which they occur and not reclassified to the consolidated statement of profit and loss in the subsequent period. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs in the consolidated statement of profit and loss.

Other long-term employee benefits

The Group's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated at the balance sheet date on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. Remeasurements gains or losses are recognised in the consolidated statement of profit and loss in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under long term employment benefits, are based on the market yields on Government securities as at the balance sheet date.

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Equity settled share based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.14 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However the same are disclosed in the consolidated financial statements where an inflow of economic benefits is probable.

Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

3.15 Revenue recognition

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from April 1, 2018. The Group has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers:

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

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Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract and excludes taxes and duties. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue from works contracts

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Any variations in contract work, claims, incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Group.

Revenue from sale of goods

The Group recognises revenue from sale of goods once the customer takes possession of the goods. Revenue respresents the invoice value of goods provided to third parties net of discounts and sales taxes/value added taxes/Good and Service Tax.

Operation and maintenance income:

The Group recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

3.16 Contract assets and Contract liabilities

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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(Currency: Indian rupees in crore)

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

3.17 Export incentives

Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds. The export incentives are disclosed as other income in the consolidated financial statements.

3.18 Recognition of dividend income, interest income or expense

Dividend income is recognised in the consolidated statement of profit and loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.19 Income tax

Income-tax comprises current and deferred tax. It is recognised in the consolidated statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

On 30th March 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 1, 2019. As per the Group's assessment, there are no material uncertainties over income tax treatments.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using applicable tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.20 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

3.21 Consolidated statement of cash flows

The Group's consolidated statement of cash flows are prepared using the Indirect method, whereby (loss)/ profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value.

3.22 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

3.23 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting year the impact of such events is adjusted with the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

4 Recent pronouncements

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

(i) Ind AS 101 – First-time Adoption of Indian Accounting Standards

(ii) Ind AS 102 – Share-based Payment

(iii) Ind AS 103 – Business Combinations

(iv) Ind AS 107 – Financial Instruments Disclosures

(v) Ind AS 109 – Financial Instruments

(vi) Ind AS 115 – Revenue from Contracts with Customers

(vii) Ind AS 1 – Presentation of Financial Statements

(viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

(ix) Ind AS 12 – Income Taxes

(x) Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

5 Property, plant and equipment and capital work-in-progress

Reconciliation of carrying amount for the year ended March 31, 2023

Particulars	Building	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total	Capital work-in progress
Gross carrying amount:								
Balance as at April 1, 2022	**0.14**	**6.25**	**42.31**	**2.07**	**1.96**	**8.58**	**61.31**	**0.07**
Add: Additions during the year	-	3.18	3.57	0.10	-	2.39	9.24	-
Less: Disposals / written off during the year	-	-	0.21	-	0.23	0.21	0.65	-
Add: Exchange differences on translation of foreign operations	0.02	0.35	0.55	0.07	0.07	0.35	1.41	0.01
Balance as at March 31, 2023	**0.16**	**9.78**	**46.22**	**2.24**	**1.80**	**11.11**	**71.31**	**0.08**
Accumulated depreciation and amortisation:								
Balance as at April 1, 2022	**-**	**4.52**	**22.23**	**1.03**	**0.84**	**6.93**	**35.55**	**-**
Add: Depreciation and amortisation for the year	-	0.54	7.11	0.22	0.21	0.99	9.07	-
Less: Disposals / written off during the year	-	-	0.13	-	0.22	0.21	0.56	-
Add: Exchange differences on translation of foreign operations	-	0.35	0.69	0.10	(0.02)	0.02	1.14	-
Balance as at March 31, 2023	**-**	**5.41**	**29.90**	**1.35**	**0.81**	**7.73**	**45.20**	**-**
Carrying amounts (net)								
At April 1, 2022	**0.14**	**1.73**	**20.08**	**1.04**	**1.12**	**1.65**	**25.76**	**0.07**
At March 31, 2023	**0.16**	**4.37**	**16.32**	**0.89**	**0.99**	**3.38**	**26.11**	**0.08**

Reconciliation of carrying amount for the year ended March 31, 2022

Particulars	Building	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Computer hardware	Total	Capital work-in progress
Gross carrying amount:								
Balance as at April 1, 2021	**0.15**	**6.13**	**39.89**	**1.94**	**1.91**	**8.15**	**58.17**	**0.07**
Add: Additions during the year	-	-	8.50	0.10	0.02	0.45	9.07	0.01
Less: Disposals during the year	-	-	6.66	-	-	-	6.66	0.01
Add: Exchange differences on translation of foreign operations*	(0.01)	0.12	0.58	0.03	0.03	(0.02)	0.73	(0.00)
Balance as at March 31, 2022	**0.14**	**6.25**	**42.31**	**2.07**	**1.96**	**8.58**	**61.31**	**0.07**
Accumulated depreciation and amortisation:								
Balance as at April 1, 2021	**-**	**3.83**	**19.10**	**0.95**	**0.66**	**5.34**	**29.88**	**-**
Add: Depreciation and amortisation for the year	-	0.58	7.30	0.18	0.16	1.59	9.81	-
Less: Disposals during the year	-	-	4.60	-	-	-	4.60	-
Add: Exchange differences on translation of foreign operations*	-	0.11	0.43	(0.10)	0.02	0.00	0.46	-
Balance as at March 31, 2022	**-**	**4.52**	**22.23**	**1.03**	**0.84**	**6.93**	**35.55**	**-**
Carrying amounts (net)								
At April 1, 2021	**0.15**	**2.30**	**20.79**	**0.99**	**1.25**	**2.81**	**28.29**	**0.07**
At March 31, 2022	**0.14**	**1.73**	**20.08**	**1.04**	**1.12**	**1.65**	**25.76**	**0.07**

* Amount is less than ₹ 0.01 crore

Notes:

a) Movable fixed assets with carrying amount of ₹ 14.33 crore for the year ended 31 March 2023 (31 March 2022: ₹ 14.73 crore) are subject to first charge to secured bank loans obtained by the Holding Company.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

b) Ageing of capital work in progress:

Capital work in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
March 31, 2023	**-**	**-**	**0.08**	**-**	**0.08**
March 31, 2022	-	0.07	-	-	0.07

6 Other Intangible Assets

Reconciliation of carrying amount for the year ended March 31, 2023

Particulars	Computer software	Licenses*	Total	Intangible assets under development
Gross carrying amount:				
Balance as at April 1, 2022	9.81	0.83	10.64	0.32
Add: Additions during the year	0.00	-	0.00	-
Less: Disposals / written off during the year	-	-	-	0.32
Add: Exchange differences on translation of foreign operations**	0.00	0.07	0.07	-
Balance as at March 31, 2023	**9.81**	**0.90**	**10.71**	**-**
Accumulated amortisation and impairment losses:				
Balance as at April 1, 2022	**3.25**	**0.40**	**3.65**	**-**
Add: Amortisation for the year	1.03	0.13	1.16	-
Add: Exchange differences on translation of foreign operations**	0.00	0.03	0.03	-
Balance as at March 31, 2023	**4.28**	**0.56**	**4.84**	**-**
Carrying amounts (net)				
At April 1, 2022	**6.56**	**0.43**	**6.99**	**0.32**
At March 31, 2023	**5.53**	**0.34**	**5.87**	**-**

* includes Construction License and ISO License.

** Amount is less than ₹ 0.01 crore

Reconciliation of carrying amount for the year ended March 31, 2022

Particulars	Computer software	Licenses*	Total	Intangible assets under development
Gross carrying amount:				
Balance as at April 1, 2021	9.75	0.80	10.55	0.32
Add: Additions during the year	0.06	-	0.06	-
Add: Exchange differences on translation of foreign operations**	(0.00)	0.03	0.03	-
Balance as at March 31, 2022	**9.81**	**0.83**	**10.64**	**0.32**
Accumulated amortisation and impairment losses:				
Balance as at April 1, 2021	**1.90**	**0.27**	**2.17**	**-**
Add: Amortisation for the year	1.28	0.12	1.40	-
Add: Exchange differences on translation of foreign operations	0.07	0.01	0.08	-
Balance as at March 31, 2022	**3.25**	**0.40**	**3.65**	**-**
Carrying amounts (net)				
At April 1, 2021	**7.85**	**0.53**	**8.38**	**0.32**
At March 31, 2022	**6.56**	**0.43**	**6.99**	**0.32**

* includes Construction License and ISO License.

** Amount is less than ₹ 0.01 crore

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Notes:

a) Ageing of intangible assets under development:

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
March 31, 2023	**-**	**-**	**-**	**-**	**-**
March 31, 2022	-	-	-	0.32	0.32

7 Other Non-current Financial Assets

Particulars	March 31, 2023	March 31, 2022
Fixed deposits with banks * (due to mature after 12 months from reporting date)	10.00	4.00
Security deposits	1.06	0.77
	11.06	**4.77**

* Fixed deposit with banks to the extent of ₹ 10.00 crore (March 31, 2022: ₹ 4.00 crore) is held as margin money or security against the guarantees and other commitments.

8 Deferred Tax Assets (net)

Particulars	March 31, 2023	March 31, 2022
Deferred tax assets		
Carry forward business losses	80.95	48.51
Employee benefits	7.33	2.41
Unabsorbed depreciation	3.28	3.27
Expected credit loss on financial assets	5.46	11.23
Provision for mark to market losses on derivative instruments	-	5.13
Provision for liquidated damages	-	30.63
Excess of depreciation as per Income tax Act, 1961 over book depreciation	-	0.02
Others	1.15	-
	98.17	**101.20**
Deferred tax liabilities		
Excess of depreciation as per book depreciation over Income tax Act, 1961	(0.01)	-
Others	(0.05)	(0.32)
	(0.06)	**(0.32)**
Deferred tax assets (net)	**98.11**	**100.88**

9 Non current tax assets (net)

Particulars	March 31, 2023	March 31, 2022
Advance tax	61.35	42.86
	61.35	**42.86**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

10 Other Non-current assets

(Unsecured, considered good)

Particulars	March 31, 2023	March 31, 2022
To parties other than related parties		
Balance with government authorities	1.85	1.85
	1.85	**1.85**

11 Inventories

(valued at lower of cost or net realisable value unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Construction materials, stores and spare parts	0.43	2.76
Stock-in-trade	1.14	1.14
	1.57	**3.90**
Carrying amount of inventories (included above) pledged as securities for borrowings	1.57	3.90
The write-down /(reversal of write-down) of inventories to net realisable value during the year	-	-
Carrying amount of inventories (included above) in transit	-	-

12 Trade Receivables

(Unsecured)

Particulars	March 31, 2023	March 31, 2022
- Considered good (refer note 58)	790.25	783.96
- Significant increase in credit risk	-	-
- Credit impaired	6.77	41.83
	797.02	**825.79**
Less: Loss allowances*	(6.77)	(41.83)
	(6.77)	**(41.83)**
	790.25	**783.96**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	197.03	212.79
Loss allowances*	-	-
	197.03	**212.79**

* The loss allowance on trade receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for trade receivables considered good on the basis that credit risk exists even though it may be very low. The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 51 and 59, also refer note 58. As at March 31, 2023, trade receivables includes retention of ₹ Nil (March 31, 2022: ₹ Nil) relating to construction contracts in progress.

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2023	March 31, 2022
Shapoorji Pallonji and Company Private Limited	40.12	61.49
Sterling and Wilson Private Limited	13.60	14.10
Sterling Generators Private Limited (formerly known as Sterling and Wilson Powergen Private Limited)	0.47	0.47
	54.19	**76.06**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	267.94	14.59	85.08	14.61	408.03	790.25
Disputed trade receivables - credit impaired	-	-	-	-	6.77	6.77
	267.94	**14.59**	**85.08**	**14.61**	**414.80**	**797.02**
Less: Loss allowances						(6.77)
						790.25

Ageing for trade receivables outstanding as at March 31, 2022 is as follows:

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	255.94	84.36	60.27	111.48	271.91	783.96
Disputed trade receivables - credit impaired	-	-	-	-	41.83	41.83
	255.94	**84.36**	**60.27**	**111.48**	**313.73**	**825.79**
Less: Loss allowances						(41.83)
						783.96

13 Cash and Cash Equivalents

Particulars	March 31, 2023	March 31, 2022
Balances with Bank		
- in current accounts	46.87	457.15
Cash on hand	1.03	0.36
	47.90	**457.51**

14 Bank balances other than cash and cash equivalents

Particulars	March 31, 2023	March 31, 2022
Balances with banks		
- in current accounts*	2.67	2.92
- Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)**	44.61	43.61
	47.28	**46.53**

* Current account balances with banks include ₹ 0.94 crore (March 31, 2022: ₹ 1.34 crore) held at a foreign branch at Philippines which are not freely remissible to the Company because of exchange restrictions, ₹ 1.72 crore (March 31, 2022: ₹ 1.57 crore) on account of earmarked balance for spent towards Corporate Social Responsiblities expenses and an amount of ₹ 0.01 crore (March 31, 2022: ₹ 0.01 crore) on account of earmarked balance for unclaimed dividend.

** Fixed deposit with banks to the extent of ₹ 44.61 crore (31 March 2022: ₹ 43.61 crore) is held as margin money or security against the guarantees and other commitments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

15 Loans (Current)

(Unsecured)

Particulars	March 31, 2023	March 31, 2022
To parties other than related parties		
Loan to employees	2.17	1.14
	2.17	**1.14**

16 Derivatives

Particulars	March 31, 2023	March 31, 2022
Foreign currency forward exchange contract assets	3.72	-
	3.72	**-**

17 Other Financial Assets

(Unsecured, considered good)

Particulars	March 31, 2023	March 31, 2022
To related parties		
Other receivables*	45.49	32.35
To parties other than related parties		
Security deposits	11.46	14.39
Other receivables** (refer note 57, 58 and 59)		
- Considered good	1,203.77	714.36
- Credit impaired	7.50	-
Less: allowance	(7.50)	-
	1,260.72	**761.10**

*includes receivable towards the employee liability taken over and recovery of expenses incurred.

** includes receivable towards encashment of irrevocable letter of credit, claim against suppliers, insurance claims, export incentives, bank guarantee invocation, recoverable from promoters not due etc.

*** The loss allowance on other receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for other receivables considered good on the basis that credit risk exists even though it may be very low.

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2023	March 31, 2022
Other receivables		
Shapoorji Pallonji and Company Private Limited	25.84	4.08
Sterling and Wilson Cogen Solutions Private Limited	0.01	0.01
Sterling and Wilson Private Limited	-	10.05
Sterling and Wilson International FZE	19.64	18.21
	45.49	**32.35**

18 Current Tax Assets (net)

Particulars	March 31, 2023	March 31, 2022
Advance tax	1.70	1.96
	1.70	**1.96**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

19 Other Current Assets

(Unsecured, considered good)

Particulars	March 31, 2023	March 31, 2022
To related parties		
Unbilled receivables	0.70	1.01
To parties other than related parties		
Unbilled receivables	436.12	782.46
Advances for supply of goods	49.94	107.00
Other recoverables*	0.28	0.30
Balance with government authorities	304.66	330.01
Prepayments	25.49	29.28
Advances to employees	1.18	0.89
	818.37	**1,250.95**

* Includes insurance claim receivables

Dues from directors or other officers of the company or any of them either severally or jointly with any other person or amounts due from firms or private companies in which any director is a partner or a director or member:

Particulars	March 31, 2023	March 31, 2022
Unbilled receivables		
Shapoorji Pallonji and Company Private Limited	0.55	0.97
Sterling Generators Private Limited	0.11	-
Sterling and Wilson Private Limited	0.03	0.03
	0.69	**1.00**

20 Share Capital

	March 31, 2023	March 31, 2022
Authorised		
500,000,000 equity shares of Re 1 each (March 31, 2022: 500,000,000 equity shares of Re 1 each)	50.00	50.00
1,000,000 preference shares of ₹ 100 each (March 31, 2022: 1,000,000 equity shares of ₹ 100 each)	10.00	10.00
Issued, subscribed and fully paid up:		
189,693,333 equity shares of Re 1 each (March 31, 2022: 189,693,333 equity shares of ₹ 1 each, fully paid-up)	18.97	18.97
	18.97	**18.97**

(A) Reconciliation of shares outstanding at the beginning and at the end of the year:

	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	**189,693,333**	**18.97**	**160,360,000**	**16.04**
Add: Equity shares issued during the year	-	-	29,333,333	2.93
Balance as at the end of the year	**189,693,333**	**18.97**	**189,693,333**	**18.97**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(B) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(C) Shares held by holding company

During the year ended 31 March 2022, pursuant to the Share Subscription Agreement ("SSA") dated 10 October 2021 entered into between the Company, Shapoorji Pallonji and Company Private Limited ("SPCPL"), Mr. Khurshed Yazdi Daruvala and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) ("RNEL"), 2,93,33,333 equity shares were allotted by the Company on 30 December 2021 to RNEL on a preferential basis. Pursuant to the Share Purchase Agreement ("SPA") dated 10 October 2021 entered into between SPCPL, Mr. Khurshed Yazdi Daruvala and RNEL, SPCPL has sold 1,84,00,000 equity shares of the Company to RNEL on 6 January 2022. Also, pursuant to the open offer made by RNEL, 84,76,251 equity shares were acquired by RNEL on 28 January 2022. Further, SPCPL and Mr. Khurshed Yazdi Daruvala have sold 1,53,80,904 and 42,86,846 equity shares respectively to RNEL on 9 February 2022. On completion of all the above, RNEL holds 7,58,77,334 equity shares representing 40.00% of the total share capital of the Company as on date. Accordingly, effective 30 December 2021 the Company ceased to be a subsidiary of SPCPL.

(D) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	March 31, 2023		March 31, 2022	
	Number	**% holding**	**Number**	**% holding**
Equity shares				
Shapoorji Pallonji and Company Private Limited* (Refer note (C) above	38,696,291	20.40%	47,329,886	24.95%
Reliance New Energy Limited	75,877,334	40.00%	75,877,334	40.00%
Khurshed Daruvala, Chairman	7,943,662	4.19%	11,384,544	6.00%
Kainaz Khurshed Daruvala	13,000,200	6.85%	13,000,200	6.85%

*Shapoorji Pallonji and Company Private Limited sold 10,00,000 equity shares of the Company on 31 March 2023. However, the transaction was settled after 31 March 2023 and therefore not reflected in the Beneficiary Position provided by the Depositories as on 31 March 2023. Thus, the above sale transaction is not reflected in the Shareholding pattern filed with BSE Limited and National Stock Exchange of India Limited for the quarter ended 31 March 2023.

(E) Details of shares held by promoters

March 31, 2023

Promoter name	Number	% holding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Shapoorji Pallonji and Company Private Limited* (Refer note (C) above	38,696,291	20.40%	-4.55%	47,329,886	24.95%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited)	75,877,334	40.00%	0.00%	75,877,334	40.00%
Khurshed Daruvala, Chairman	7,943,662	4.19%	-1.81%	11,384,544	6.00%

*Shapoorji Pallonji and Company Private Limited sold 10,00,000 equity shares of the Company on 31 March 2023. However, the transaction was settled after 31 March 2023 and therefore not reflected in the Beneficiary Position provided by the Depositories as on 31 March 2023. Thus, the above sale transaction is not reflected in the Shareholding pattern filed with BSE Limited and National Stock Exchange of India Limited for the quarter ended 31 March 2023.

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

March 31, 2022

Promoter name	Number	% holding	% Change during the year	Number at the beginning of the year	% holding at the beginning of the year
Shapoorji Pallonji and Company Private Limited (Refer note (C) above	47,329,886	24.95%	-25.63%	81,110,790	50.58%
Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited)	75,877,334	40.00%	40.00%	-	0.00%
Khurshed Daruvala, Chairman	11,384,544	6.00%	-3.77%	15,671,390	9.77%

(F) Equity Shares allotted as fully paid-up without payment being received in cash

During the year ended March 31, 2018: a) 16,036,000 equity shares were issued without payment being received in cash pursuant to the scheme of arrangement of merger of the Solar EPC ("S-EPC") business of Sterling and Wilson Private Limited along with certain subsidiaries engaged in the S-EPC business with the Holding Company. b) 3,558 equity shares were issued without payment being received in cash on conversion of loan to equity.

(G) Employee stock option

On 27 March 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on May 30, 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective July 15, 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e. July 15, 2021. Refer note 44 for disclosure on share based payments.

21 Other Equity

Particulars	Note	March 31, 2023	March 31, 2022
Capital reserve on demerger	(i)	(181.74)	(181.74)
Capital reserve	(ii)	(1.65)	(1.65)
Legal Reserve	(iii)	1.21	1.21
Capital redemption reserve*	(iv)	0.00	0.00
Employee stock option reserve	(v)	7.05	3.71
Securities premium reserve	(vi)	1,087.12	1,087.12
Retained earnings	(vii)	(1,174.88)	(6.14)
Effective portion of cash flow hedge	(viii)	3.72	(15.21)
Foreign currency translation reserve	(ix)	15.12	10.49
		(244.05)	**897.79**
(i) Capital reserve on demerger			
Balance as at the beginning of the year		(181.74)	(181.74)
Balance as at the end of the year		**(181.74)**	**(181.74)**
(ii) Capital reserve			
Balance as at the beginning of the year		(1.65)	(1.65)
Balance as at the end of the year		**(1.65)**	**(1.65)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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Particulars	Note	March 31, 2023	March 31, 2022
(iii) Legal reserve			
Balance as at the beginning of the year		1.21	1.21
Balance as at the end of the year		**1.21**	**1.21**
(iv) Capital redemption reserve*			
Balance as at the beginning of the year		0.00	0.00
Balance as at the end of the year		**0.00**	**0.00**
(v) Employee stock option reserve			
Balance as at the beginning of the year		3.71	-
Add: Addition for the year		3.34	3.71
Balance as at the end of the year		**7.05**	**3.71**
(vi) Securities premium reserve			
Balance as at the beginning of the year		1,087.12	-
Add : Addition during the year		-	1,087.12
Balance as at the end of the year		**1,087.12**	**1,087.12**
(vii) Retained earnings			
Balance as at the beginning of the year		(6.14)	901.92
Add: (loss) for the year		(1,169.55)	(909.46)
Less: Remeasurements of defined benefit liability, net of tax (refer note (x) below)		0.81	1.40
Balance as at the end of the year		**(1,174.88)**	**(6.14)**
(viii) Effective portion of cash flow hedge			
Balance as at the beginning of the year		(15.21)	(74.08)
Gain on hedging instruments in cash flow hedges, net of tax		34.43	17.62
Effective portion of (gain) on hedging instruments in cash flow hedges reclassified to profit or loss, net of tax		(15.50)	41.25
Balance as at the end of the year		**3.72**	**(15.21)**
(ix) Foreign currency translation reserve			
Balance as at the beginning of the year		10.49	0.18
Add: Exchange difference on translation of foreign operations arisen during the year		4.63	10.31
Balance as at the end of the year		**15.12**	**10.49**
Total other equity		**(244.05)**	**897.79**

*Amounts less than ₹ 0.01 crore

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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Nature and purpose of reserves

(i) Capital reserve on demerger

The Company's capital reserve on demerger is on account of the difference between the net assets and liabilities taken over relating to the S-EPC business pursuant to the scheme of arrangement.

(ii) Capital reserve

Capital Reserve is mainly on account of acquisition of ownership interests in Sterling and Wilson Middle East Solar Energy L.L.C. (formerly known as Sterling and Wilson Powergen L.L.C.), registered in UAE.

(iii) Legal Reserve

Legal reserve is created out of net profits of subsidiary company, in accordance with article 255 of the Federal Law No 8 of 1984 and its amendments relating to Commercial Companies Law of United Arab Emirates.

10% of net income for the period is to be transferred to legal reserve. Further, in accordance with the provisions of the said laws, the subsidiary companies have resolved to discontinue such annual transfers since the balance in the reserve account is 50% of the share capital. The reserve is not available for distribution except in circumstances as stipulated in the said laws.

(iv) Capital redemption reserve

Capital redemption reserve comprises of an amount equal to nominal value of Class B share bought back out of free reserves of Sterling & Wilson - Waaree Private Limited ('SWWPL'), SWWPL has been merged with the Company effective from April 1, 2020. Capital redemption reserve is created out of profits available for distribution towards buy back of equity share of the SWWPL. This reserve can be used for the purpose of issue of Bonus shares.

(v) Employee stock option reserve

Employee stock option reserve represents the cumulative amounts charged to profit in respect of employee share option arrangements where the scheme has not yet been settled by means of an award of shares to an employees.

(vi) Securities premium reserve

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(vii) Retained Earnings

Retained earnings are the (loss) / profits that the Group has incurred / earned till date, less any transfers to general reserve, dividends or other distributions paid to the owners of the Group and also includes Remeasurements of defined benefit liability, net of tax.

(viii) Effective portion of cash flow hedge

The Group has designated its hedging instruments obtained after April 1, 2020 as cash flow hedges and any effective portion of cash flow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Consolidated statement of profit and loss. On the settlement of the hedging instrument, the balance is recycled to consolidated statement of profit and loss.

(ix) Foreign currency translation reserve

These comprise of all exchange differences arising from translation of financial statements of foreign operations.

(x) Analysis of accumulated Other comprehensive income, net of tax

Remeasurement of Defined Benefit Liability

Particulars	March 31, 2023	March 31, 2022
Opening balance	(1.85)	(3.25)
Gain / (Loss) on remeasurement of defined benefit liability, net of tax	0.81	1.40
Closing balance	**(1.04)**	**(1.85)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

22 Borrowings (Non-current)

Particulars	March 31, 2023	March 31, 2022
Preference shares (Unsecured)		
(Measured at amortised cost)		
510 (31 March 2022: 510) 7%, Non-convertible, non-cumulative preference shares of 100 baht each, 25 baht paid-up (refer note (a) below)*	0.00	0.00
Term loans from Banks (refer note (b) below)	800.00	-
Less: Current maturities of term loans from banks	(100.00)	-
	700.00	**-**
Term loans from financial institution (refer note (c) below)	100.00	
Less: Current maturities of term loans from financial institution	(100.00)	
	-	**-**
	700.00	**0.00**

* Amount is less than ₹ 0.01 crore

Details of the security and repayment terms :

(a) 7%, Non-convertible, Non-cumulative Preference shares of 100 baht each, 25 baht paid-up, were issued by Sterling and Wilson (Thailand) Limited, a subsidiary of the Company. Preference shares carry a preferential right as to dividend over equity shareholders. These preference shares are entitled to one vote per thirty shares at every general meeting of the subsidiary. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up on such shares.

(b) Long-term debt from State Bank of India Limited, ICICI Bank Limited, IndusInd Bank Limited and IDFC First Bank Limited with carrying amount aggregating to ₹ 800 crore (31 March 2022: Nil); The loans carry a variable interest rate ranging from 8.20% p.a. to 9.50% p.a. (31 March 2022: Nil). The loans from State Bank of India are secured by first pari passu charge and loans from other banks are secured by second pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. The loans are for a period of 365 to 1,460 days and are repayable in quarterly instalments ranging from 4-12 instalments.

(c) Long-term debt from Arka Fincorp Limited as at 31 March 2023 amounting to ₹ 100 crore (31 March 2022: Nil). The loan carries an interest rate of 10.90% p.a. (31 March 2022: Nil). The loan is secured by second pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. The loan is for a period of 365 days and is repayable in three instalments.

(d) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.

23 Provisions (Non-current)

Particulars	March 31, 2023	March 31, 2022
Provision for employee benefits (refer note 43)		
Gratuity	14.04	9.57
Terminal benefits	5.20	4.89
Other provision	-	11.00
	19.24	**25.46**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Other Provision

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Particulars	March 31, 2023	March 31, 2022
As at the beginning of the year	11.00	11.00
Add: Additions during the year	-	-
Less: Utilisation/ Write back during the year	(11.00)	-
As at the end of the year	**-**	**11.00**

24 Borrowings (Current)

Particulars	March 31, 2023	March 31, 2022
Secured loans		
Cash credit loan (refer note (a) below)	42.08	46.37
Working capital loan from banks (refer note (b) and (c) below)	248.12	270.52
Loan from banks (refer note (d) below)	600.00	-
Current maturities of term loans from banks (refer note 22 (b) above)	100.00	-
Current maturities of term loans from financial institution (refer note 22 (c) above)	100.00	-
Trust receipt (refer note (e) below)	168.27	76.03
Unsecured loans		
Supplier credit facility (refer note (g) below)	46.88	42.14
Commercial papers (refer note (h) below)	9.60	-
	1,314.95	**435.06**

Details of the security and repayment terms :

(a) Secured Cash Credit facilities from banks under consortium arrangement carrying amount as at 31 March 2023 of ₹ 42.08 Crore (31 March 2022: ₹ 46.37 Crore). The bank includes Union Bank of India, State Bank of India, IDBI Bank Limited, Axis Bank Limited, IndusInd Bank Limited, and Yes Bank Limited. The lead bank for the consortium arrangement is Union Bank of India. The Cash Credit is repayable on demand and carries a variable interest rate of 8.55% to 12.50% (31 March 2022: 8.45% p.a. to 12.00% p.a.). The Cash Credit is secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company.

(b) Overdraft facility from Emirates NBD Bank is denominated in Arab Emirates Dirham (AED). The loan carries an interest rate of 1-month Eibor + 2.25% per annum (31 March 2022: 1-month Eibor + 3% per annum) on actual amount utilised, and are repayable on demand. The overdraft facility is secured by charge over assignment of receivables of the Company.

(c) Secured Working Capital Loans from banks under consortium arrangement carrying amount as at 31 March 2023 of ₹ 241.42 Crore (31 March 2022 of ₹ 264.72 Crore), the banks include Union Bank of India, State Bank of India, IDBI Bank Limited, DBS Bank India Limited, IDFC First Bank Limited, Yes Bank Limited and ICICI Bank Limited, the lead bank for the consortium arrangement is Union Bank of India. The loans carry a variable interest rate which ranges from 8.50% to 12.50% (31 March 2022: 8.45% to 12.00%). The loans are secured by first pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital work-in-progress) of the Company. Working Capital Loan is subject to repayment / roll-over on due date, for a period of 30-180 days based on sanctioned terms and conditions.

(d) Secured Working Capital term loans from IDBI Bank Limited, DBS Bank India Limited, Yes Bank Limited with carrying amount as at 31 March 2023 aggregating to ₹ 600 Crore (31 March 2022: ₹ Nil). The loans carry a variable interest rate ranging from 8.90% p.a. to 9.60% p.a. (31 March 2021: Nil). The loans are secured by second pari passu charge over the current assets and movable fixed assets (excluding leasehold improvements and capital

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

work-in-progress) of the Company. The loans are for a period of 365 days and are repayable in a single bullet repayment at end of the period.

(e) Trust receipts are availed from Union Bank of India and is denominated in United States Dollar (USD). Trust receipts are secured by charge over assignment of receivables of the Company on pari-passu basis, carrying an interest rate of 3-month Libor + 2.50% per annum (31 March 2022: 3-month Libor + 2.50% per annum) and are repayable within 180 to 360 days from the draw down date.

(f) Unsecured Supplier credit facilities from Oxyzo Financial Services Private Limited and OFB Tech Private Limited, carrying amount as at 31 March 2023 of ₹ 46.88 crore (as at 31 March 2022: ₹ 42.14 crore) carries an interest rate of 12.80% p.a. (31 March 2022: 12.00%) and is repayable within 120 days from draw down date.

(g) Unsecured Unlisted Commercial Paper from Siddhesh Capital Market Services Private Limited having carrying amount as at 31 March 2023 of ₹ 9.60 crore (31 March 2022: Nil) carries a discount rate of 9.50% p.a. The commercial paper is repayable on 14 September 2023.

(h) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.

(i) The Company has been sanctioned working capital from banks on the basis of security of current assets and moveable fixed assets (excluding leasehold improvements and capital work-in-progress). The Company in this regard has been duly submitting with all such banks from whom such facilities are taken, the quarterly statements as per the terms of the sanction. The said quarterly statements are in agreement with the books of account of the Company of the respective quarters at the point of time of reporting.

25 Trade Payables

Particulars	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	9.72	19.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	636.10	1,375.45
Acceptances*	4.14	8.25
	649.96	**1,402.86**

*Acceptances are repayable within a period of 180 days from the date of acceptance.

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

Particulars	March 31, 2023	March 31, 2022
The principal amount remaining unpaid to any supplier as at the end of each accounting year	9.72	19.16
Interest due thereon	-	0.06
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the each accounting year	4.59	4.59
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	Nil	Nil

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for the year ended March 31, 2023

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Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	0.01	6.26	1.90	0.57	0.98	9.72
Undisputed dues - Others	151.57	77.67	280.32	21.78	37.46	67.30	636.10
Acceptances	-	4.14	-	-	-	-	4.14
	151.57	**81.82**	**286.58**	**23.68**	**38.03**	**68.28**	**649.96**

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro enterprises and small enterprises	-	15.09	2.24	0.84	0.58	0.41	19.16
Undisputed dues - Others	16.87	372.43	785.52	36.10	73.16	91.39	1,375.45
Acceptances	-	8.25	-	-	-	-	8.25
	16.87	**395.77**	**787.76**	**36.94**	**73.74**	**91.80**	**1,402.86**

26 Derivatives

Particulars	March 31, 2023	March 31, 2022
Foreign currency forward exchange contract liabilities	-	20.37
	-	**20.37**

27 Other Financial Liabilities

Particulars	March 31, 2023	March 31, 2022
To related parties		
Interest accrued and not due		
- To others	-	1.86
Other payables*	5.52	5.27
Employee benefits payable	0.26	0.22
To parties other than related parties		
Interest accrued and due :		
- To micro enterprises and small enterprises (refer note 25)	4.59	4.59
Interest accrued and not due :		
- To banks	2.45	1.23
- To others	0.85	0.31
Employee expenses payable	3.02	2.25
Employee benefits payable	20.36	19.10
Other payables**	12.53	0.01
	49.58	**34.84**

*Payable to Sterling and Wilson Private Limited on account of transfer of branch w.e.f 1 January 2019 and reimbursement of expenses.

**Includes encashment of bank guarantee of vendor etc.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

28 Other Current Liabilities

Particulars	March 31, 2023	March 31, 2022
To related parties		
Advances from customers	-	0.23
To parties other than related parties		
Advances from customers	589.27	424.46
Statutory dues payable		
- Tax deducted and collected at source payable	2.08	2.31
- Goods and Services Tax payable	6.65	1.81
- Fringe Benefit Tax payable	1.19	0.55
- Withholding tax payable	0.36	0.54
- PAYG tax payable	-	5.57
- Provident fund payable	2.35	1.86
- Profession tax payable	0.03	0.03
- Employees State Insurance payable	0.06	0.40
- Value added tax payable	0.90	4.67
	602.89	**442.43**

29 Provisions (current)

Particulars	March 31, 2023	March 31, 2022
Provision for employee benefits (refer note 43)		
Gratuity	0.49	0.37
Compensated absences	36.66	33.20
Other provisions		
Provision for liquidated damages (refer note 58)	1.06	153.39
Provision for product warranty	2.14	1.86
Other provision	3.11	5.19
Provision for foreseeable loss/ onerous contracts	30.91	17.79
	74.37	**211.80**

Provision for liquidated damages:

Liquidated damages are contractual obligations affecting the contract revenue in case of the works contracts arising as a result of penalties arising from delays caused in the completion of a contract. For contracts delayed beyond the stipulated contract completion periods, management has estimated the liability that could arise on these contracts.

Provision for product warranty:

The warranty provision represents management's best estimate of the Group's liability under warranties granted on products, based on prior experience and industry averages.

Provision for foreseeable loss/ onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Other Provision

Other provision include provision made towards the Corporate Social Responsibility as per the requierment of Companies Act, 2013 (refer note 46) and provision for air tickets.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Particulars	Liquidated damages	Product warranty	Other Provision	Onerous contracts/ Foreseeable Loss
As at April 1, 2022	153.39	1.86	5.19	17.79
Add: Additions during the year (including foreign exchange adjustments)	1.06	0.28	1.06	21.71
Less: Utilisation/ Write back during the year (including foreign exchange adjustments)	(153.39)	-	(3.14)	(8.59)
As at March 31, 2023	**1.06**	**2.14**	**3.11**	**30.91**
As at April 1, 2021	98.59	0.39	4.56	14.71
Add: Additions during the year (including foreign exchange adjustments)	54.80	1.47	3.62	3.08
Less: Utilisation/ Write back during the year (including foreign exchange adjustments)	-	-	(2.99)	-
As at March 31, 2022	**153.39**	**1.86**	**5.19**	**17.79**

30 Current tax liabilities (net)

Particulars	March 31, 2023	March 31, 2022
Provision for current tax	5.02	10.19
	5.02	**10.19**

31 Revenue from Operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of services		
Income from works contracts	1,823.50	4,974.46
Revenue from operation and maintenance services	189.86	222.92
Other operating income		
Sale of scrap	1.64	1.56
Others	0.01	-
	2,015.01	**5,198.94**

32 Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income under the effective interest method on:		
- deposits with banks	4.33	1.99
- loan to fellow subsidiaries	-	38.25
- loan to employees	0.05	0.01
- receivables from customers	-	0.32
Expected credit loss on financial assets no longer required	35.21	16.69

Notes to the Consolidated Financial Statements

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(Currency: Indian rupees in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Export incentive	1.19	0.03
Insurance claim received	-	5.23
Liabilities no longer required	59.83	3.29
Profit on sale of property, plant and equipments (net)*	0.00	1.01
Miscellaneous income	10.25	27.88
	110.86	**94.70**

* Amount is less than ₹ 0.01 crore

33 Cost of Construction Materials, Stores and Spare Parts

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory of materials as at the beginning of the year	2.76	1.95
Add: Purchase during the year	1,208.17	2,420.25
Inventory of materials as at the end of the year	0.43	2.76
	1,210.50	**2,419.44**

34 Changes in inventories of stock-in-trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory of stock-in-trade as at the beginning of the year	1.14	1.14
Inventory of stock-in-trade as at the end of the year	1.14	1.14
Increase/ Decrease in inventory	-	-

35 Direct Project Costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Communication expenses	2.67	3.59
Stores and spare parts consumed	17.63	14.84
Commission expenses	-	0.44
Legal and professional fees	26.91	27.95
Printing and stationery expenses	1.48	2.36
Insurance costs	8.06	10.29
Repairs and maintenance - others	19.63	47.96
Selling and marketing expenses	6.35	0.14
Traveling and conveyance expenses	20.57	34.58
Rent (refer note 48)	38.55	46.31
Rates and taxes	2.62	6.65
Electricity, power and fuel	22.52	13.07
Bank charges	55.11	85.65
Provision Liquidated damages	11.07	110.19

Notes to the Consolidated Financial Statements

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(Currency: Indian rupees in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provision for foreseeable losses	18.12	3.08
Security Charges	29.71	30.64
Miscellaneous expenses	73.50	43.40
	354.50	**481.14**
Employee benefits expense		
Salaries, wages and bonus	164.58	242.31
Contribution to provident and other funds (refer note 43)	13.02	15.93
Staff welfare expenses	14.34	39.04
	191.94	**297.28**
Sub-contractor expenses	**1,003.53**	**2,457.10**
	1,549.97	**3,235.52**

36 Employee benefits expense*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	204.37	188.82
Contribution to provident and other funds (refer note 43)	19.34	20.14
Gratuity and terminal benefits (refer note 43)	7.34	4.33
Compensated absences (refer note 43)	7.12	5.92
Staff welfare expenses#	9.68	8.68
	247.85	**227.89**

* Salaries, wages and bonus, Contribution to funds and Staff welfare expenses are net of ₹ 191.94 crore (31 March 2022: ₹ 297.28 crore), which pertain to site staff and are transferred to Direct project cost

Includes ₹ 3.34 crore (31 March 2022: ₹ 3.71 crore) towards share based payments, refer note 44)

37 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense		
- on secured loans	105.12	39.69
- on unsecured loans	0.06	10.32
- on dues of micro enterprises and small enterprises	-	0.06
- on income tax and indirect taxes	0.16	1.13
- on lease liabilities	1.42	0.95
- on others	13.78	11.21
Other borrowing costs	24.37	13.35
	144.91	**76.71**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

38 Depreciation and Amortisation

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation and amortisation on property, plant and equipment	9.07	9.81
Depreciation on Right-of-use of assets	4.48	3.46
Amortisation of intangible assets	1.16	1.40
	14.70	**14.67**

39 Other Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Communication expenses	2.10	2.88
Stores and spare parts consumed	1.29	0.03
Commission expenses	-	0.08
Legal and professional fees	36.12	35.40
Printing and stationery expenses	0.71	0.50
Insurance costs	12.05	11.22
Repairs and maintenance - others	11.15	6.27
Selling and marketing expenses	2.43	8.78
Traveling and conveyance expenses	17.34	12.54
Rent (refer note 48)	7.67	8.22
Rates and taxes	3.21	3.74
Electricity, power and fuel	0.58	0.38
Payment to auditors (refer note (a) below)	1.79	1.11
Foreign exchange loss (net)	2.75	19.55
Donation	0.01	0.01
Management support fees	0.10	2.39
Bank charges	6.39	10.50
Business support services charges	5.05	12.40
Bad debts written off	9.76	18.78
Corporate social responsibility expenses (refer note 46)	0.56	4.01
Expected credit loss on financial assets	7.50	6.66
Security Charges	0.11	0.34
Mark-to-market losses on derivative instruments (net)	-	55.15
Miscellaneous expenses	8.01	8.63
	136.68	**229.57**

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(a) Payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
Statutory audit	1.15	0.76
In other capacity		
Tax audit	0.05	0.05
Taxation service	0.37	0.11
Certification services	0.08	0.16
Reimbursement of expenses	0.06	0.03
Others*	0.08	-
	1.79	**1.11**

*Paid to Deloitte Touche Tohmatsu India LLP for services provided upto 30 September 2022.

40 Income Taxes

a) Amount recognised in the Consolidated statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax expense:		
Current year	6.66	-
Tax adjustments in respect of earlier years	(8.09)	3.70
	(1.43)	**3.70**
Deferred tax (credit) Expenses :		
Origination and reversal of temporary differences	(2.35)	1.90
	(2.35)	**1.90**
Tax expenses for the year	**(3.78)**	**5.60**

b) Income tax recognised in other comprehensive income

Particulars	March 31, 2023		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement gain on post employment defined benefit plan	0.81	-	0.81
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	5.74	-	5.74
Effective portion of gain on hedging instruments in cash flow hedges	39.56	(5.13)	34.43
Effective portion of (gain) on hedging instruments in cash flow hedges reclassified to profit or loss	(15.50)	-	(15.50)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Particulars	March 31, 2022		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement gain on post employment defined benefit plan	1.55	(0.15)	1.40
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	9.89	-	9.89
Effective portion of gain on hedging instruments in cash flow hedges	21.39	(3.77)	17.62
Effective portion of losses on hedging instruments in cash flow hedges reclassified to profit or loss	55.13	(13.88)	41.25

c) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(Loss) before tax	(1,178.74)	(910.16)
Tax using the Group's domestic tax rate at 25.168% (March 31, 2022: 25.168%)	(296.67)	(229.07)
Tax effect of:		
Difference in tax rates	88.73	96.31
Tax relating to previous periods	(8.09)	3.70
Current year losses on which no deferred tax asset is recognised	243.08	76.95
Taxes on profitable branches and subsidiaries	6.66	-
Deferred tax recognised in earlier periods reversed in current year	-	43.91
Items on which deferred tax was not recognised in the previous year, now recognised	-	(1.89)
Tax effect on consolidation adjustments	(52.41)	3.62
Non-deductible expenses	14.92	12.07
Total tax expense	**(3.78)**	**5.60**

d) The major components of deferred tax (liabilities) / assets arising on account of timing differences are as follows:

Movement in deferred tax balances for the year ended March 31, 2023

Particulars	Net asset/ (liability) April 1, 2022	Recognised in profit or loss during the year	Recognised in OCI during year	Other adjustments/ Forex	Net asset/ (liability) March 31, 2023
Carry forward business losses	48.51	32.44	-	-	80.95
Employee benefits	2.41	4.92	-	-	7.33
Unabsorbed depreciation	3.27	0.01	-	-	3.28
Expected credit loss on financial assets	11.23	(5.77)	-	-	5.46
Provision for mark to market losses on derivative instruments	5.13	0.00	(5.13)	-	-
Provision for liquidated damages	30.63	(30.63)	-	-	-
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	0.02	(0.03)	-	-	(0.01)
Others	(0.32)	1.41	-	0.01	1.10
Net deferred tax asset	**100.88**	**2.35**	**(5.13)**	**0.01**	**98.11**

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Movement in deferred tax balances for the year ended March 31, 2022

Particulars	Net asset/ (liability) April 1, 2021	Recognised in profit or loss during the year	Recognised in OCI during year	Other adjustments/ Forex	Net asset/ (liability) March 31, 2022
Carry forward business losses	60.30	(11.79)	-	-	48.51
Employee benefits	2.20	0.36	(0.15)	-	2.41
Unabsorbed depreciation	1.95	1.32	-	-	3.27
Expected credit loss on financial assets	15.11	(3.88)	-	-	11.23
Provision for mark to market losses on derivative instruments	22.77	0.01	(17.65)	-	5.13
Provision for liquidated damages	18.64	11.99	-	-	30.63
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961	(0.49)	0.51	-	-	0.02
Others	0.10	(0.42)	-	-	(0.32)
Net deferred tax asset	**120.58**	**(1.90)**	**(17.80)**	**-**	**100.88**

Deferred tax assets for the carry forward of unused tax losses and unabsorbed depreciation are recognised as it is probable that future taxable profits will be available against which the unused tax losses and unabsorbed depreciation can be utilised.

e) Unrecognised deferred tax assets

Deferred tax assets has not been recognised as at year end in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

	March 31, 2023		March 31, 2022	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Carry forward losses	1,970.01	(422.34)	792.56	(195.82)
Unabsorbed depreciation	6.26	(1.63)	0.52	(0.16)
Total	**1,976.27**	**(423.97)**	**793.08**	**(195.98)**

As included in the table above, the Holding Company, the subsidiary of the Holding Company, Sterling Wilson - SPCPL - Chint Moroccan Venture and the subsidiaries of Sterling and Wilson International Solar FZCO, in Spain, United States of America, Australia and Kazakhstan are subject to income tax in accordance with the countries' respective income tax laws. Since the Holding Company and subsidiaries had incurred losses in the previous periods, the management had decided not to consider the potential deferred tax assets arising from carry forward tax losses of the aforementioned entities in absence of convincing evidence that future profitability will be consistently demonstrated.

f) Unrecognised deferred tax liabilities

Deferred tax liabilities is not recognised amounting to ₹ Nil for the year ended March 31, 2023 (March 31, 2022: ₹ Nil crore) for temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

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for the year ended March 31, 2023

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g) Tax losses carried forward

	Year ended March 31, 2023	Expiry date	Year ended March 31, 2022	Expiry date
Expire	460.49	2030-2043	113.74	2030-2041
	720.36	2029-2032	220.59	2027-2030
	1,180.85		**334.33**	
Never expire	1,126.06		642.98	

41 Earnings per share

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Basic and diluted earnings per share			
Numerator:			
Consolidated (loss) after tax attributable to equity shareholders	A	(1,169.55)	(909.46)
Denominator:			
Calculation of weighted average number of equity shares			
Number of equity shares at the beginning of the year		189,693,333	160,360,000
Add: Effect of shares issued during the year (based on date of issue of shares)		-	7,393,607
Weighted average number of equity shares outstanding during the year (based on date of issue of shares)	B	**189,693,333**	**167,753,607**
Basic and diluted earnings per share (₹)	A / B	(61.65)	(54.21)
Face value per share		1.00	1.00

* The Group has incurred a loss for the year ended March 31, 2023 and March 31, 2022 and accordingly, the effect of potential equity shares to be issued would be anti-dilutive.

42 Contingent liabilities and commitments

(to the extent not provided for)

A. Contingent Liabilities (Refer note 58)

Particulars		March 31, 2023	March 31, 2022
(a)	Claims against the Group not acknowledged as debts	0.31	0.31
(b)	Demand raised by Goods and Services Tax authorities of India*	345.04	249.41
(c)	The Claim against Group under South Africa Income tax Act demanding tax, penalty and interest. The Group has filed an appeal against the order to Honorable Hight Court of Capetown and received the stay order against this demand.	37.20	31.26
(d)	Demand raised by Income Tax authorities	14.14	66.63
(e)	Demand raised by Egypt VAT inspection authority	30.95	56.19
(f)	Liquidated damages claims, not acknowledged as debts	780.65	790.72
Total		**1,208.29**	**1,194.52**

* The demand was raised on Sterling and Wilson Private Limited ('SWPL') by Authorities. However, Pursuant to the Scheme of Arrangement, the Business of the Group was held in trust by Sterling and Wilson Private Limited ('SWPL') with effect from 9 March 2017 to 28 March 2018 (the date on which Scheme become approved by regulatory authorities). Accordingly, the contingent liability is considered in the books of the Holding Company.

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B. During the current year, a customer in respect of a 93.30 MW DC Photovoltaic solar energy generation facility has initiated Arbitration proceeding for recovery of liquidated damage levied and (unsubstantiated) costs amounting to as at March 31, 2023 ₹ 255.10 crore (March 31, 2022: ₹ 234.70 crore). The Holding Company has responded to the same as part of the proceedings. The customer owes to the Holding Company an overdue amount of ₹ 133.95 crore as at March 31, 2023 (March 31, 2022: ₹ 123.24 crore) towards EPC work with a further amount of ₹ 6.84 crore as at March 31, 2023 (March 31, 2022: ₹ 6.29 crore) towards unbilled receivable, which is pending certification of final invoice. The Holding Company has also made a claim of ₹ 78.84 crore as at March 31, 2023 (March 31, 2022: ₹ 66.39 crore) towards prolongation cost, interest on overdue payment and other ancillary costs on the customer. Basis the contractual rights available, the management is confident of full recovery of the receivables and unbilled revenue as at March 31, 2023 and accordingly believes that no further provision is required pertaining to liquidated damages and costs as claimed by the customer. These amounts are covered under indemnity from the promotors of the Holding Company (Refer note 58).

C. A Subsidiary Company has received intimation for liquidated damages from one of its customers for an amount of approximately ₹ 90.55 crore (31 March 2022: ₹ 94.06 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). Contractual documentation is being exchanged and based on management's best estimate and the provision of the Indemnity Agreement (Refer note 58), no provision for liquidated damages has been made.

D. During the year ended March 31, 2021, a significant subcontractor in a particular geography filed for bankruptcy. The subcontractor has levied a claim on a Subsidiary Company for approximately ₹ 89.03 crore (March 31, 2022: ₹ 97.73 crore) which has been refuted by the Management. The Subsidiary Company has filed a counter claim on the subcontractor for an amount of ₹ 172.27 crore (March 31, 2022: ₹ 178.94 crore) for non-compliance with contractual obligations. In the opinion of the Management, the subcontractor's claim is not tenable and accordingly, based on Management's best estimate, no provision is required to be made for the same.

E. A Subsidiary Company of the Group has terminated the contract with a major subcontractor in a particular geography for delays and default of its obligations under the contract. The Subsidiary has filed a legal suit to claim the surety bond tendered by the subcontractor for performance of works amounting to ₹ 253.53 crore (USD 30.87 Million). The expected increase in cost to complete the subcontractor's incomplete scope of work as at March 31, 2023 amounts to ₹ 460.49 crore (USD 56.07 Million). As at March 31, 2023, ₹ 460.49 crore (USD 56.07 Million) has been incurred by the Group towards additional cost to complete the subcontractor's scope of work. The subcontractor has filed a lien on the project seeking a counter claim on the Group for approximately ₹ 157.44 crore (USD 19.17 Million) which has been refuted by the Management. During the quarter ended March 31, 2023, the Group has issued a bond amounting to ₹ 236.12 crore (USD 28.75 million) to the County Court in Washington for release of this lien.

In the opinion of the Management, supported by the conclusion memorandum issued by the external legal firm, the Group is confident of recovering the additional costs amounting to ₹ 460.49 crore (USD 56.07 Million) incurred to complete the subcontractor's scope of work as at March 31, 2023, which has been recognised by the Group as recoverable from the subcontractor. In addition, the Group is also confident on subcontractor's counter claim being not tenable.

F. In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its consolidated financial statements. The Group's management does not reasonably expect that these legal notices, when ultimately concluded and determined, will have a material and adverse effect on Group's results of operations or financial condition.

G. The Hon'ble Supreme Court of India ("SC") by it's order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. In view of the management, the liability for the period from date of the SC order to March 31, 2020 is not significant. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

Notes to the Consolidated Financial Statements

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H. Capital and other commitments

Particulars	March 31, 2023	March 31, 2022
Capital Commitment towards partner's capital contribution in Sterling Wilson - SPCPL - Chint Moroccan Venture	0.01	0.01
Unspent Corporate Social Responsibility amount (Refer note 46)	2.11	-
Capital commitment (net of advances) for procurement of property, plant and equipment	0.32	0.23

43 Employee Benefits

Defined contribution plan:

Contribution to provident fund, Employees State Insurance Scheme, Super annuation fund and other funds aggregating to ₹ 32.36 crore (March 31, 2022: ₹ 36.07 crore) is recognised as an expense and included in 'Employee benefits expense' and 'direct project costs'.

Defined benefit plan and long-term employee benefits:

General description

Gratuity (Defined benefit plan)

In accordance with Indian law, the Company and its subsidiaries in India has a defined benefit gratuity plan. Every employee in India who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn basic salary) for each completed year of service.

Terminal benefits (Defined benefit plan)

In respect of the overseas subsidiaries, the Group has made provision of ₹ 1.87 crore for the year March 31, 2023 (March 31, 2022: ₹ 2.05 crore), for employees' terminal benefits on the basis prescribed under the labour laws of respective countries in which the overseas subsidiaries operates and same is determined based on acturial valuation basis. This is an unfunded defined benefit plan. The employees are entitled to benefits based on length of service and final remuneration and are payable on termination or completion of term of employment. Accordingly, the Group has disclosed information related to defined benefits for overseas subsidiaries in the table below.

Compensated absences (Long-term employee benefits)

Long term leave wages are payable to all eligible employees at the rate of daily basic salary for each day of accumulated leave on death or on resignation or upon retirement.

Change in the present value of the defined benefit obligation (Gratuity and terminal benefits)

I Reconciliation of the present value of defined benefit obligation

Particulars	Gratuity and Terminal benefits	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit obligation at the beginning of the year	14.83	15.44
Benefits paid	(2.84)	(3.45)
Current service cost	3.24	3.39
Past Service Cost- Vested Benefits	3.29	0.07
Net interest cost	0.81	0.87
Liability transferred in / acquisitions	0.73	0.18
Liability transferred out	(0.00)	(0.22)
Impact of foreign exchange translation	0.48	0.10
Actuarial (gains) / losses recognised in other comprehensive income		
- changes in demographic assumptions	-	(0.02)
- changes in financial assumptions	(1.58)	(0.47)
- experience adjustments	0.77	(1.06)
Balance at the end of the year	**19.73**	**14.83**

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II Amount recognised in the consolidated statement of profit and loss under employee benefits expense

Particulars	March 31, 2023	March 31, 2022
(i) Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	3.24	3.39
Net interest cost	0.81	0.87
Past service cost - Vested benefits	3.29	0.07
	7.34	**4.33**

III Remeasurement recognised in other comprehensive income

Particulars	March 31, 2023	March 31, 2022
(i) Expense recognised in the Consolidated Statement of other comprehensive income		
Actuarial gain/ (losses) on obligation for the year	0.81	1.55
	0.81	**1.55**

IV Actuarial assumptions

The principal assumptions used in determining gratuity benefit obligation for the Group's plan is shown below:

Particulars	March 31, 2023	March 31, 2022
Actuarial assumptions taken for domestic entities:		
Discount rate	7.53%	7.31%
Salary escalation	7.00%	7.00%
Employee turnover	Service < 5 : 14% Service>=5 : 2%	Service < 5 : 14% Service>=5 : 2%
Mortality tables	Indian assured lives mortality (2012-14) (Urban)	Indian assured lives mortality (2006-08) (Urban)
Weighted average duration of the projected benefit obligation	15 years	18 years

The principal assumptions used in determining terminal benefit obligation for the Group's plan is shown below:

Particulars	March 31, 2023	March 31, 2022
Actuarial assumptions taken for overseas entities:		
Discount rate	4.80%	3.20%
Salary escalation	5.00%	5.00%
Employee Turnover		
20 - 30 years age	2% to 3.60%	2% to 3.60%
31 - 49 years age	2% to 3.60%	2% to 3.60%
Mortality tables	AM-92	AM-92
Weighted average duration of the projected benefit obligation	12-16 years	15-17 years

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality are based on published Statistics and Mortality tables. The calculation of death benefit obligation is sensitive to the mortality assumptions.

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(Currency: Indian rupees in crore)

V Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

	March 31, 2023		March 31, 2022	
For the Company and its subsidaries in India:				
Discount rate (100 basis point movement)	(1.65)	1.98	(1.25)	1.53
Salary escalation rate (100 basis point movement)	1.97	(1.67)	1.10	(0.99)
Employee turnover (100 basis point movement)	0.05	(0.07)	0.16	(0.20)

	March 31, 2023		March 31, 2022	
For overseas subsidaries:				
Discount rate (100 basis point movement)	(0.58)	0.70	(0.65)	0.80
Salary escalation rate (100 basis point movement)	0.69	(0.59)	0.78	(0.65)
Employee turnover (100 basis point movement)	(0.01)	0.01	(0.12)	0.13

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The Group's liability on account of gratuity and terminal benefit is not funded and hence the disclosures relating to the planned assets are not applicable.

VI Maturity profile of defined benefit obligation (Gratuity and terminal benefits)

Particulars	March 31, 2023	March 31, 2022
Within next 12 months	0.48	0.35
Between 1 and 5 years	3.34	2.31
Above 5 years	53.67	41.40

Compensated absences

Compensated absences for employee benefits of ₹ 7.12 crore for the year ended March 31, 2023 (March 31, 2022: ₹ 5.92 crore) expected to be paid in exchange for the services is recognised as an expense during the year.

44 Share based payments

On 27 March 2019, The Board of Directors of the Holding Company has proposed to Institute the Scheme for Employee Stock Option Plan ('ESOP' or 'Scheme') subject to approval of Shareholders'. The said Scheme has been approved by the Shareholders on 30 May 2021 and grant of the stock options was approved by Nomination and Remuneration Committee effective 15 July 2021. Pursuant to Scheme the Company has granted and has reserved 1,301,213 new stock grants to eligible employees, the exercise price of these ESOP is ₹ 238 per share and the same would get vested in 4 annual tranches of 25% each, commencing one year from date of grant, i.e. 15 July 2021. The employees can avail the ESOPs within 4 years from the date of vesting of each tranches.

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Particulars	March 31, 2023	March 31, 2022
Options granted and outstanding at the beginning of the year	1,301,213	-
Options granted during the year	-	1,301,213
Options exercised during the year	-	-
Options lapsed during the year	(18,425)	-
Options granted and outstanding at the end of the year	1,282,788	1,301,213

During the year ended, the Group has debited to the Statement of Profit and Loss ₹ 3.34 crore (31 March 2022: 3.71 Crore) towards the stock options granted to their employees, pursuant to the Scheme.

The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Particulars	March 31, 2023	March 31, 2022
Risk-free interest rate	5.14% - 6.11%	5.14% - 6.11%
Expected life of options	4 years	4 years
Expected volatility	30% - 35%	30% - 35%
Expected dividend over the life of the options	4.50%	4.50%
Weighted average share price	318.50	297.65
Weighted average exercise price	238	238
Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life option	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life option

45 Loans and investments

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Details of loans given by the Indian entities of the Group are as follows:

Name of the entity	As at April 1, 2022	Converted to loan	Loan given during the year (refer note 49)	Loan repaid during the year (refer note 49)	Foreign exchange/ adjustment during the year	As at March 31, 2023
None	-	-	-	-	-	-

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Name of the entity	As at April 1, 2021	Converted to loan	Loan given during the year (refer note 49)	Loan repaid during the year (refer note 49)	Foreign exchange/ adjustment during the year	As at March 31, 2022
Sterling and Wilson Private Limited (refer note 1 below)	397.55	-	-	397.55	-	-

Note 1: Sterling and Wilson Private Limited

	March 31, 2023	March 31, 2022
Purpose of utilization of loan given to the entities	None	Working Capital
Loan repayment terms	None	September 30, 2021
Rate of Interest	None	13.88% to 14.66% p.a

46 Corporate social responsibility

The Group has consituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and schedule VII of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

The funds are utilised during the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards various activities.

The details set below are for the amount spent by the Group. The Holding Company qualifies for CSR contribution, based on threshold prescribed in the Act.

Particulars	March 31, 2023		
	In cash	Yet to be paid in cash	Total
A. Gross amount required to be spent by the Group during the year			0.56
B. Amount spent during the year ended March 31, 2023			Total
i) Installation of Water purifier in rural area	0.00	0.09	0.09
ii) Medical ,check up and Nutritional suppliment distribution in rural area	0.00	0.08	0.08
iii) Edcuational kits distribution in tribal area	0.02	-	0.02
iv) Women Empowerment	0.00	0.16	0.16
v) Other donation and contribution	0.00	0.21	0.21
	0.02	**0.54**	**0.56**
C. Related party transactions in relation to Corporate Social Responsibility			Nil
D. Provision movement during the year			
Opening balance as at April 1, 2022			4.76
Addition during the year			0.54
Utilised during the year			3.19
Closing balance as at March 31, 2023			2.11

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

E. Unspent amount

	Opening balance	Amount deposited in Unspent CSR Account	Amount required to be spent during the year	Amount spent during the year	Closing balance
FY 2020-21	1.57	-	-	0.81	0.76
FY 2021-22	3.19	3.19	-	2.38	0.81
FY 2022-23*	-	-	0.56	0.02	0.54
	4.76	**3.19**	**0.56**	**3.21**	**2.11**

*In respect of on-going projects, the Group has transferred the unspent Corporate Social Responsibility (CSR) amount as at the balance sheet date out of the amounts that was required to be spent during the year, to a special account in compliance with the provision of the sub section (6) of Section 135 of the said Act till the date of signing of the financial statements i.e. 20 April 2023.

Particulars	March 31, 2022		
	In cash	Yet to be paid in cash	Total
A. Gross amount required to be spent by the Group during the year			4.01
B. Amount spent during the year ended March 31, 2022			
i) Community development in Methi village	0.10	-	0.10
ii) Rural area development	0.13	-	0.13
iii) Contribution to female cancer home	0.15	-	0.15
iv) Contribution towards school empowerment program	0.09	-	0.09
v) Contribution for project undertaken for Training-Cum-Employment of disabled persons	0.08	-	0.08
vi) Community water harvesting in drought prone regions	0.10	-	0.10
vii) Other donations and contributions	0.17	-	0.17
	0.82	**-**	**0.82**
C. Related party transactions in relation to Corporate Social Responsibility			Nil
D. Provision movement during the year			
Opening balance as at April 1, 2021			4.56
Addition during the year			3.19
Utilised during the year			2.99
Closing balance as at March 31, 2022			4.76

E. Unspent amount

	Opening balance	Amount deposited in Unspent CSR Account	Amount required to be spent during the year	Amount spent during the year	Closing balance
FY 2020-21	4.56	4.56	4.56	2.99	1.57
FY 2021-22	-	-	4.01	0.82	3.19
	4.56	**4.56**	**8.57**	**3.81**	**4.76**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

47 Disclosure under Ind AS 115, Revenue from Contracts with Customers

A) The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc. There is no impact on the Group's revenue on applying Ind AS 115 from the contracts with customers.

B) Disaggreagtion of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical area and the type of contract of revenue recognition. Disaggregated revenue with the Group's reportable segments is given in the note 50.

C) Reconciliation of contract assets and liabilities

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract assets*		
Unbilled receivables		
Contract assets at the beginning of the year	783.47	681.48
Less: Billing during the year	2,182.64	4,770.25
Add Revenue recognised during the year	1,835.99	4,872.24
Contract assets as at end of the year	**436.82**	**783.47**
Contract liabilities**		
Advance from customers		
Contract liabilities at the beginning of the year	424.69	325.14
Add: Addition during the year	341.95	424.69
Less: Applied during the year	177.37	325.14
Contract liabilities as at end of the year	**589.27**	**424.69**

*The contract assets primarily relate to the Group's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected within 30-60 days from the date of invoicing.

**The contract liabilities primarily relates to the advances from customer towards on-going EPC projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

D) Reconciliation of revenue as per Ind AS 115

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from works contracts	1,919.38	5,023.79
Adjustment on account of:		
Less: Liquidated damages provided during the year	(95.88)	(49.33)
Total	**1,823.50**	**4,974.46**
Revenue from operation and maintenance services	189.86	222.81
Adjustment on account of:		
Add: Recognition of revenue towards free operation and maintenance period	-	0.11
Total	**189.86**	**222.92**
Other operating Income	1.65	1.56
Add: Adjustment during the year	-	-
Total	**1.65**	**1.56**

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

E) **Performance obligation**

The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Solar utility and Rooftop Project. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

The Group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Group provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Group enters into multiple contracts with the same customer, the Group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Group recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognizes the entire estimated loss in the period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

There is no revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at March 31, 2023 and March 31, 2022, except as disclosed below:

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied):

March 31, 2023	0-2 years	Total
Income from works contracts	2,089.10	2,089.10
	2,089.10	**2,089.10**

March 31, 2022	0-2 years	Total
Income from works contracts	1,012.75	1,012.75
	1,012.75	**1,012.75**

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f) **Practical expedients:**

Applying the practical expedient in paragraph 63 of Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the year between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for EPC contracts that have original expected duration of one year or less.

48 Disclosure under Ind AS 116, Leases

A) Right-of-use assets

Particulars	Land and Buildings *	
	March 31, 2023	March 31, 2022
Cost		
Balance as at the beginning of the year	16.30	16.80
Add: Additions during the year	7.10	3.08
Less: Disposals during the year	(0.84)	(3.55)
Add: Exchange differences on translation of foreign operations	0.82	(0.03)
Balance as at the end of the year	**23.38**	**16.30**
Accumulated depreciation and impairment		
Balance as at the beginning of the year	6.86	7.13
Add: Depreciation for the year	4.48	3.46
Less: Disposals during the year	(0.84)	(3.55)
Add: Exchange differences on translation of foreign operations	0.62	(0.18)
Balance as at the end of the year	**11.12**	**6.86**
Carrying amounts		
Opening balance	9.44	9.67
Closing balance	12.26	9.44

* Carrying amount of Right-of-use assets at the end of the reporting period is towards property taken on lease for office premises, the underlying leasehold improvements is presented in note 5 under "Property, plant and equipment and capital work-in-progress".

B) Breakdown of lease expenses

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Short-term lease expense	46.22	54.53
Total lease expense	**46.22**	**54.53**

C) Cash outflow on leases

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Repayment of lease liabilities (including Interest on lease liabilities)	5.21	3.67
Short-term lease expense	46.22	54.53
Total cash outflow on leases	**51.43**	**58.20**

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

D) Maturity analysis of lease liabilities

Paticulars	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Total	Weighted average effective interest rate %
March 31, 2023						
Lease liabilities						
- Indian entities	0.98	1.09	5.06	3.98	11.11	11.00%
- Overseas entities	2.59	0.96	-	-	3.55	4%-6%
Total	**3.57**	**2.05**	**5.06**	**3.98**	**14.66**	
March 31, 2022						
Lease liabilities						
- Indian entities	0.51	0.67	2.81	2.08	6.07	11.00%
- Overseas entities	2.69	1.62	0.77	-	5.08	4%-6%
Total	**3.20**	**2.29**	**3.58**	**2.08**	**11.15**	

49 Related Party Disclosures

A Related parties and their relationship

Category of related parties

A) Holding Company upto 29 December 2021

Shapoorji Pallonji and Company Private Limited
(Refer footnote below Part B)

B) Entities which exercise significant influence over the Group from 29 December 2021

Reliance New Energy Limited (wholly owned subsidiary of Reliance Industries Limited)

Reliance Industries Limited (100% Holding Company of Reliance New Energy Limited) ('RIL')

Shapoorji Pallonji and Company Private Limited ('SPCPL')

C) Entities over which any one of the entity mentioned in B above exercise significant influence or control (with which the Group has transaction and / or balances)

SP Energy (Egypt) S.A.E.

Shapoorji Pallonji Infrastructure Capital Co Private Limited

Shapoorji Pallonji Mideast L.L.C

Sterling Generators Private Limited (formerly known as Sterling and Wilson Powergen Private Limited)

Shapoorji Pallonji Solar Holdings Private Limited

Forbes & Company Limited

Sterling and Wilson Private Limited

Forvol International Services Limited

Sterling and Wilson Powergen FZE

Sterling and Wilson Cogen Solutions Private Limited

Sterling Viking Power Private Limited

Sterling and Wilson Middle East Electro Mechanical L.L.C

Gco Australia Pty. Ltd.

Sterling and Wilson International FZE

Reliance Corporate IT Park Ltd

Reliance Jio Infocomm Limited

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Category of related parties
D) Key Management Personnel (with which the Company has transaction and / or balances)
Mr. Khurshed Y Daruvala, Chairman
Mr. Pallon Shapoor Mistry, Non-Executive Director
Mr. Bikesh Ogra, Non-Executive Director (upto 7 April 2022)
Mr. Amit Jain, Global Chief Executive Officer (CEO) (from 1 June 2021)
Mr. Bahadur Dastoor, Chief Financial Officer (CFO)
Mr. Jagannadha Rao Ch. V., Company Secretary
Mr. Chandra Thakur, Manager

B Transactions and balances with related parties

Related party disclosures for the year ended March 31, 2023

Sr. No.	Particulars	Entities exercise significant influence over the Group	Subsidiaries / Associates / of RIL / SPCPL	Key Management Personnel	Total
	Transactions				
I	Income from works contracts	0.04	2.68	-	2.72
II	Revenue from Operation and maintenance services	0.12	6.21	-	6.33
III	Purchase of services	-	12.43	-	12.43
IV	Purchases of construction material	-	3.08	-	3.08
V	Remuneration and sitting fees paid	-	-	17.39	17.39
VI	Other expense	0.66	-	-	0.66
VII	Other income	4.62	-	-	4.62
VIII	Expenses recovered	82.60	1.74	16.23	100.57
IX	Other payables	-	0.38	-	0.38
	Balances				
X	Trade Receivables	40.14	156.89	-	197.03
XI	Trade payable	0.66	8.75	-	9.41
XII	Other receivables	25.84	19.65	-	45.49
XIII	Other Payables	-	5.52	-	5.52
XIV	Remuneration payable	-	-	0.26	0.26
XV	Unbilled receivables	0.55	0.15	-	0.70

Sr. No.	Particulars	Entities exercise significant influence over the Group	Subsidiaries / Associates / of RIL / SPCPL	Key Management Personnel	Total
	Transactions				
I	**Income from works contracts**				
	Shapoorji Pallonji and Company Private Limited	0.04	-	-	0.04
	Shapoorji Pallonji Solar Holdings Private Limited	-	0.46	-	0.46
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	0.18	-	0.18
	Sterling and Wilson Private Limited	-	2.04	-	2.04

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Particulars	Entities exercise significant influence over the Group	Subsidiaries / Associates / of RIL / SPCPL	Key Management Personnel	Total
II	**Revenue from Operation and maintenance services**				
	Reliance Corporate IT Park Ltd	-	0.37	-	0.37
	Reliance Industries Limited	0.12	-	-	0.12
	Shapoorji Pallonji Energy Egypt S.A.E	-	5.80	-	5.80
	Forbes & Company Limited	-	0.04	-	0.04
III	**Purchases of services**				
	Sterling and Wilson Private Limited	-	10.22	-	10.22
	Forvol International Services Limited	-	2.21	-	2.21
IV	**Purchases of construction material**				
	Sterling Generators Private Limited	-	3.08	-	3.08
V	**Remuneration and sitting fees paid***				
	Mr. Khurshed Y Daruvala, Chairman	-	-	4.47	4.47
	Mr. Pallon Shapoor Mistry, Non-Executive Director	-	-	0.05	0.05
	Mr. Amit Jain, Global CEO	-	-	4.74	4.74
	Mr. Bahadur Dastoor, CFO				
	- Short-term employee benefits	-	-	3.03	3.03
	- Post-employment benefits	-	-	0.63	0.63
	- Other long-term benefits	-	-	0.05	0.05
	Mr. Jagannadha Rao Ch.V., Company Secretary				
	- Short-term employee benefits	-	-	1.75	1.75
	- Post-employment benefits	-	-	0.07	0.07
	- Other long-term benefits	-	-	0.03	0.03
	Mr. Chandra Thakur, Manager				
	- Short-term employee benefits	-	-	2.38	2.38
	- Post-employment benefits	-	-	0.10	0.10
	- Other long-term benefits	-	-	0.09	0.09
VI	**Other expense**				
	Shapoorji Pallonji and Company Private Limited	0.66	-	-	0.66
VII	**Other income**				
	Shapoorji Pallonji and Company Private Limited	4.62	-	-	4.62
VIII	**Expenses recovered**				
	Sterling and Wilson Private Limited	-	1.54	-	1.54
	Gco Australia Pty. Ltd.	-	0.03	-	0.03
	Sterling and Wilson Middle East Electro Mechanical L.L.C	-	0.17	-	0.17
	Shapoorji Pallonji and Company Private Limited	82.60	-	-	82.60
	Mr. Khurshed Y. Daruvala	-	-	16.23	16.23
IX	**Other payables**				
	Sterling and Wilson Private Limited	-	0.23	-	0.23
	Sterling and Wilson International FZE	-	0.15	-	0.15

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Particulars	Entities exercise significant influence over the Group	Subsidiaries / Associates / of RIL / SPCPL	Key Management Personnel	Total
	Balances				
X	**Trade receivables**				
	Reliance Corporate IT Park Ltd	-	0.10	-	0.10
	Reliance Industries Limited	0.02	-	-	0.02
	Shapoorji Pallonji and Company Private Limited	40.12	-	-	40.12
	Shapoorji Pallonji Energy Egypt S.A.E	-	2.40	-	2.40
	Shapoorji Pallonji Mideast L.L.C	-	1.92	-	1.92
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	126.15	-	126.15
	Shapoorji Pallonji Solar Holdings Private Limited	-	12.25	-	12.25
	Sterling Generators Private Limited	-	0.47	-	0.47
	Sterling and Wilson Private Limited	-	13.60	-	13.60
XI	**Trade payable**				
	Shapoorji Pallonji and Company Private Limited	0.66	-	-	0.66
	Forvol International Services Limited	-	0.18	-	0.18
	Reliance Jio Infocomm Limited	-	0.00	-	0.00
	Sterling and Wilson Private Limited	-	8.10	-	8.10
	Sterling And Wilson Powergen FZE	-	0.10	-	0.10
	Sterling Generators Private Limited	-	0.37	-	0.37
XII	**Other receivables**				
	Shapoorji Pallonji and Company Private Limited	25.84	-	-	25.84
	Sterling and Wilson Cogen Solutions Private Limited	-	0.01	-	0.01
	Sterling and Wilson International FZE	-	19.64	-	19.64
XIII	**Other payables**				**-**
	Sterling and Wilson Private Limited	-	4.22	-	4.22
	Sterling and Wilson Middle East Electro Mechanical L.L.C.	-	1.30	-	1.30
XIV	**Remuneration payable**				
	Mr. Bahadur Dastoor, CFO	-	-	0.13	0.13
	Mr. Jagannadha Rao Ch.V., Company Secretary	-	-	0.04	0.04
	Mr. Chandra Thakur, Manager	-	-	0.09	0.09
XV	**Unbilled receivables**				
	Shapoorji Pallonji and Company Private Limited	0.55	-	-	0.55
	Forbes & Company Limited	-	0.01	-	0.01
	Sterling Generators Private Limited	-	0.11	-	0.11
	Sterling and Wilson Private Limited	-	0.03	-	0.03

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

**Post-employment benefits includes gratuity.

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Related party disclosures for the year ended March 31, 2022

Sr. No.	Particulars	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Transactions				
I	Income from works contracts	32.68	12.52	-	45.20
II	Revenue from Operation and maintenance aervices	-	4.98	-	4.98
III	Purchase of services	-	17.77	-	17.77
IV	Purchases of construction material	-	0.26	-	0.26
V	Advance received from customers	-	0.23	-	0.23
VI	Management support fees	2.39	-	-	2.39
VII	Interest income	-	38.25	-	38.25
VIII	Remuneration and sitting fees paid	-	-	15.90	15.90
IX	Other expense	0.52	-	-	0.52
X	Expenses recovered	4.08	0.53	-	4.61
XI	Other payables	-	4.24	-	4.24
XII	Inter-corporate deposits/ Loan repaid	-	885.25	-	885.25
	Balances				
XIII	Advance from customer	-	0.23	-	0.23
XIV	Trade Receivables	61.49	151.30	-	212.79
XV	Trade payable	7.92	0.45	0.02	8.39
XVI	Other receivables	4.08	28.27	-	32.35
XVII	Other Payables	-	5.27	-	5.27
XVIII	Remuneration payable	-	-	0.22	0.22
XIX	Unbilled receivables	0.97	0.04	-	1.01
XX	Interest payable	1.86	-	-	1.86

Sr. No	Particulars	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
	Transactions				
I	**Income from works contracts**				
	Shapoorji Pallonji and Company Private Limited	32.68	-	-	32.68
	Shapoorji Pallonji Solar Holdings Private Limited	-	1.64	-	1.64
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	(1.93)	-	(1.93)
	Sterling Generators Private Limited	-	0.13	-	0.13
	Sterling and Wilson Private Limited	-	12.68	-	12.68

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(Currency: Indian rupees in crore)

Sr. No	Particulars	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
II	**Revenue from Operation and maintenance services**				
	SP Energy (Egypt) S.A.E.	-	4.60	-	4.60
	Forbes & Company Limited	-	0.04	-	0.04
	Sterling and Wilson Private Limited	-	0.34	-	0.34
III	**Purchases of services**				
	Sterling and Wilson Private Limited	-	17.58	-	17.58
	Forvol International Services Limited	-	0.19	-	0.19
IV	**Purchases of construction material**				
	Sterling and Wilson Private Limited	-	0.18	-	0.18
	Sterling Generators Private Limited	-	0.08	-	0.08
V	**Advance received from customers**				
	SP Energy (Egypt) S.A.E.	-	0.23	-	0.23
VI	**Management support fees**				
	Shapoorji Pallonji and Company Private Limited	2.39	-	-	2.39
VII	**Interest income**				
	Sterling and Wilson Private Limited	-	17.36	-	17.36
	Sterling and Wilson International FZE	-	20.89	-	20.89
VIII	**Remuneration and sitting fees paid**				
	Mr. Khurshed Y Daruvala, Chairman				
	- Remuneration	-	-	4.08	4.08
	- Sitting fees	-	-	0.17	0.17
	Mr. Pallon Shapoor Mistry, Non-Executive Director				
	- Sitting fees	-	-	0.07	0.07
	Mr. Bikesh Ogra, Non Executive Director				
	- Remuneration	-	-	4.71	4.71
	- Sitting fees	-	-	0.09	0.09
	Mr. Bahadur Dastoor, CFO				
	- Remuneration	-	-	2.77	2.77
	- Post-employment benefits**	-	-	0.03	0.03
	Mr. Jagannadha Rao Ch.V., Company Secretary				
	- Remuneration	-	-	1.60	1.60
	- Post-employment benefits**	-	-	0.08	0.08
	Mr. Chandra Thakur, Manager				
	- Remuneration	-	-	2.13	2.13
	- Post-employment benefits**	-	-	0.18	0.18

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Sr. No	Particulars	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
IX	**Other expense**				
	Shapoorji Pallonji and Company Private Limited	0.52	-	-	0.52
X	**Expenses recovered**				
	Sterling and Wilson Private Limited	-	0.13	-	0.13
	Shapoorji Pallonji and Company Private Limited	4.08	-	-	4.08
	Sterling and Wilson Cogen Solutions Private Limited	-	0.05	-	0.05
	Sterling and Wilson Australia Pty Ltd.	-	0.01	-	0.01
	GCO Australia Pty Ltd.	-	0.25	-	0.25
	Sterling and Wilson International FZE	-	0.11	-	0.11
XI	**Other payables**				
	Sterling and Wilson Private Limited	-	4.04	-	4.04
	Sterling and Wilson International FZE	-	0.14	-	0.14
	Gco Australia Pty Ltd	-	0.06	-	0.06
XII	**Inter-corporate deposits/ Loan repaid**				
	Sterling and Wilson International FZE	-	487.70	-	487.70
	Sterling and Wilson Private Limited	-	397.55	-	397.55
	Balances				
XIII	**Advance from customer**				
	SP Energy (Egypt) S.A.E.	-	0.23	-	0.23
XIV	**Trade receivables**				
	Shapoorji Pallonji and Company Private Limited	61.49	-	-	61.49
	SP Energy (Egypt) S.A.E.	-	1.55	-	1.55
	Shapoorji Pallonji Mideast L.L.C.	-	0.85	-	0.85
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	118.58	-	118.58
	Shapoorji Pallonji Solar Holdings Private Limited	-	12.31	-	12.31
	Sterling Generators Private Limited	-	0.47	-	0.47
	GCO Australia Pty Ltd	-	3.43	-	3.43
	Sterling and Wilson Private Limited	-	14.10	-	14.10

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No	Particulars	Holding company / Associate *	Fellow subsidiaries / Associate *	KMP, their relatives and Entities over which KMP or their relatives exercise control	Total
XV	**Trade payable**				
	Shapoorji Pallonji and Company Private Limited	7.92	-	-	7.92
	Forvol International Services Limited	-	0.00	-	0.00
	Sterling Viking Power Private Limited	-	-	0.02	0.02
	Sterling Generators Private Limited	-	0.45	-	0.45
XVI	**Other receivables**				
	Sterling and Wilson Private Limited	-	10.05	-	10.05
	Shapoorji Pallonji and Company Private Limited	4.08	-	-	4.08
	Sterling and Wilson Cogen Solutions Private Limited	-	0.01	-	0.01
	Sterling and Wilson International FZE	-	18.21	-	18.21
XVII	**Other payables**				
	Sterling and Wilson Private Limited	-	3.99	-	3.99
	Sterling and Wilson Middle East Electro Mechanical L.L.C	-	1.28	-	1.28
XVIII	**Remuneration payable**				
	Mr. Bahadur Dastoor, CFO	-	-	0.10	0.10
	Mr. Jagannadha Rao Ch.V., Company Secretary	-	-	0.04	0.04
	Mr. Chandra Thakur, Manager	-	-	0.08	0.08
XIX	**Unbilled receivables**				
	Shapoorji Pallonji and Company Private Limited	0.97	-	-	0.97
	Forbes & Company Limited	-	0.01	-	0.01
	Sterling and Wilson Private Limited	-	0.03	-	0.03
XX	**Interest payable**				
	Shapoorji Pallonji and Company Private Limited	1.86	-	-	1.86

The transactions with related parties are at arm's length and were in ordinary course of business. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year in respect of outstanding balances.

*Effective December 30, 2021 the Company ceased to be a subsidiary of Shapoorji Pallonji and Company Private Limited (Refer note 21 (C). Consequently the Subsidiaries of SPCPL which were classified as Fellow Subsidiaries of the Company prior to December 30, 2021 will be classified as Associates post that date.

**Post-employment benefits includes gratuity.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

50 Segment reporting

A. Basis for segmentation

The Group is primarily engaged in the business of complete Turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Renewable Energy Power projects. The Holding Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on financial information for EPC business and Operation and maintenance service based on analysis of certain performance indicators viz. Gross margin, Profit after tax. Accordingly, the Group has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:

- Engineering, Procurement and Construction (EPC) business; and
- Operation and maintenance service.

B. Business Segment

The Group's revenues and assets represents company's businesses viz. EPC and Operation and maintenance service. Accordingly, Revenue and expenses have been identified to a segment on the basis of direct relationship to operating activities of the segment. Expenditure which are not directly identifiable but has a relationship to the operating activities of the segment are allocated on a reasonable basis.

Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other common assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Information about reportable segments

March 31, 2023

Particulars	**Solar EPC business**	**Operation and maintenance service**	**Unallocated**	**Total**
Revenue				
External customers	1,823.50	189.86	1.65	2,015.01
Total revenue	**1,823.50**	**189.86**	**1.65**	**2,015.01**
Segment Results	**(677.18)**	**9.04**	**1.65**	**(666.49)**
Unallocable Expense				
Finance costs	-	-	144.91	144.91
Depreciation and amortisation expense	-	-	14.70	14.70
Employee benefits and other expenses	-	-	367.25	367.25
Total unallocated expenses	**-**	**-**	**526.86**	**526.86**
Unallocable Income				
Interest income	-	-	4.38	4.38
Other income	-	-	10.23	10.23
Total unallocated income	**-**	**-**	**14.61**	**14.61**
Consolidated (loss) / profit before tax	(677.18)	9.04	(510.60)	(1,178.74)
Tax expense	-	-	(3.78)	(3.78)
Consolidated (loss) / profit after tax	**(677.18)**	**9.04**	**(506.82)**	**(1,174.96)**
Other information				
Segment assets	2,094.02	123.56	972.79	3,190.37
Segment liabilities	1,226.20	60.02	2,144.45	3,430.67
Capital Expenditure	-	-	9.24	9.24
Depreciation and amortisation expense	-	-	14.70	14.70

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

March 31, 2022

Particulars	Solar EPC business	Operation and maintenance service	Unallocated	Total
Revenue				
External customers	4,974.46	222.92	1.56	5,198.94
Total revenue	**4,974.46**	**222.92**	**1.56**	**5,198.94**
Segment Results	**(584.75)**	**55.45**	**1.56**	**(527.74)**
Unallocable Expense				
Finance costs	-	-	76.71	76.71
Depreciation and amortisation expense	-	-	14.67	14.67
Employee benefits and other expenses	-	-	376.86	376.86
Total unallocated expenses	**-**	**-**	**468.24**	**468.24**
Unallocable Income				
Interest income	-	-	40.25	40.25
Other income	-	-	45.57	45.57
Total unallocated income	**-**	**-**	**85.82**	**85.82**
Consolidated (loss) / profit before tax	(584.75)	55.45	(380.86)	(910.16)
Tax expense/ (credit)			5.60	5.60
Consolidated (loss) / profit after tax	**(584.75)**	**55.45**	**(386.46)**	**(915.76)**
Other information				
Segment assets	2,379.11	117.98	1,002.90	3,499.99
Segement liabilities	1,982.14	38.83	573.19	2,594.16
Capital Expenditure	-	-	13.23	13.23
Depreciation and amortisation	-	-	14.67	14.67

C. Geographical information

The geographic information analyses the Group's revenues and non-current assets by the Group's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

a) Revenue from external customers
March 31, 2023

Particulars	Solar EPC business	Operation and maintenance service	Unallocated
India	517.32	101.08	-
Middle East and North Africa	5.36	45.47	0.35
Rest of Africa	-	26.19	0.01
United States of America and Latin America	500.93	13.76	-
Australia	799.89	3.36	1.29
	1,823.50	**189.86**	**1.65**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

March 31, 2022

Particulars	Solar EPC business	Operation and maintenance service	Unallocated
India	433.73	116.75	1.55
South East Asia	-	8.91	-
Middle East and North Africa	31.65	69.05	0.01
Rest of Africa	54.61	24.63	-
United States of America and Latin America	1,551.47	3.58	-
Australia	2,903.00	-	-
	4,974.46	**222.92**	**1.56**

Business in India, the Group's country of domicile, represented approximately 30.69% during the year ended March 31, 2023 (March 31, 2022: 10.62%) of its consolidated net revenues.

The Group's business in Australia and United States of America represented 39.92% and 21.95% of its consolidated net revenues during the year ended March 31, 2023 (March 31, 2022: Australia and United States of America represented 55.84% and 21.21% respectively). No other country individually comprised 10% or more of the Group's consolidated net revenues during these periods.

b) Non-current assets (other than financial instruments and deferred tax assets)

Particulars	March 31, 2023	March 31, 2022
India	85.05	62.31
South-east Asia	-	0.10
Middle East and North Africa	4.03	4.63
Rest of Africa	3.33	2.36
United States of America and Latin America	2.86	4.47
Australia	12.14	13.29
Europe	0.11	0.13
	107.52	**87.29**

The following countries, other than India, hold 10% or more of the Group's consolidated Non-current assets (other than financial instruments and deferred tax assets):

Particulars	March 31, 2023	March 31, 2022
Australia	11.29%	15.22%

c) Information about major customers

Revenue from three customers of the Group is ₹ 1,282.09 crore (March 31, 2022: Three customer ₹ 3,110.05 crore) which is more than 10% of the Group's total revenue.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

51 Financial instruments – Fair values and risk management

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It dose not include fair value information for financial assets and financial liabilities not measured at fair value, if carrying amount is a reasonable approximation of fair value.

March 31, 2023

	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non-current								
(i) Other financial assets	-	-	11.06	11.06	-	-	-	-
Current								
(i) Trade receivables	-	-	790.25	790.25	-	-	-	-
(ii) Cash and cash equivalents	-	-	47.90	47.90	-	-	-	-
(iii) Bank balances other than cash and cash equivalents	-	-	47.28	47.28	-	-	-	-
(iv) Loans	-	-	2.17	2.17	-	-	-	-
(v) Derivatives	-	-	3.72	3.72	3.72	-	3.72	
(vi) Other financial assets	-	-	1,260.72	1,260.72	-	-	-	
Total	**-**	**-**	**2,163.10**	**2,163.10**	**3.72**	**-**	**3.72**	
Financial liabilities								
Non Current								
(i) Borrowings	-	-	700.00	700.00	-	-	-	-
(ii) Lease liabilities	-	-	11.09	11.09	-	-	-	-
Current								
(i) Borrowings	-	-	1,314.95	1,314.95	-	-	-	-
(ii) Lease liabilities	-	-	3.57	3.57	-	-	-	-
(iii) Trade payables	-	-	649.96	649.96	-	-	-	-
(iv) Other financial liabilities	-	-	49.58	49.58	-	-	-	-
	-	-			-	-	-	-
Total	**-**	**-**	**2,729.15**	**2,729.15**	**-**	**-**	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial Assets								
Non-current								
(i) Loans	-	-	-	-	-	-	-	-
(ii) Other financial assets			4.77	4.77				
Current								
(i) Trade receivables	-	-	783.96	783.96	-	-	-	-
(ii) Cash and cash equivalents	-	-	457.51	457.51	-	-	-	-
(iii) Bank balances other than cash and cash equivalents	-	-	46.53	46.53	-	-	-	-
(iv) Loans	-	-	1.14	1.14	-	-	-	-
(v) Other financial assets	-	-	761.10	761.10	-	-	-	-
(vi) Derivatives	-	-	-	-	-	-	-	-
Total	**-**	**-**	**2,055.01**	**2,055.01**	**-**	**-**	**-**	**-**
Financial liabilities								
Non Current							-	
(i) Borrowings	-	-	0.00	0.00	-	0.00	-	0.00
(ii) Lease liabilities			7.95	7.95	-	-	7.95	7.95
Current								
(i) Borrowings	-	-	435.06	435.06	-	-	-	-
(ii) Lease liabilities			3.20	3.20	-	-	3.20	3.20
(iii) Trade payables	-	-	1,402.86	1,402.86	-	-	-	-
(iv) Derivatives	20.37	-	-	20.37	-	20.37	-	20.37
(iii) Other financial liabilities	-	-	34.84	34.84	-	-	-	-
Total	**20.37**	**-**	**1,883.91**	**1,904.27**	**-**	**20.37**	**11.14**	**31.52**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non current and current financial assets and liabilities measured at amortised cost	Discounted cash flow approach: The valuation model considers the present value of expected receipts/ payments, discounted using a risk adjusted discount rate.	Not applicable	Not applicable
Forward contracts for foreign exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting year.

Sensitivity Analysis for level 3

The sensitivity analysis below have been determined based on reasonably possible changes of the discounting rate occurring at the end of the reporting year, while holding all other assumptions constant.

	Discounting rate	March 31, 2023	March 31, 2022
Lease liabilities - Discount rate + 100 basis points	Indian entities - 11.00% Foreign entities - 4%- 6.00%	(0.42)	(0.36)
Lease liabilities - Discount rate - 100 basis points		0.67	0.39

(c) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

i) Credit risk ;

ii) Liquidity risk ; and

iii) Market risk

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee of the Holding Company oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors of the Group.

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment in debt securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowances for doubtful debts and impairments that represents its estimates of incurred losses in respect of trade and other receivable and investment.

Net trade receivable as on March 31, 2023 is ₹ 790.25 crore (March 31, 2022: ₹ 783.96 crore).

Three largest customers have a total concentration of 44.34% (March 31, 2022: Three largest customer has a total concentration of 38.49%) of total trade receivables.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables and other receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Amount
Balance as at April 1, 2022	41.83
Add: Impairment losses recognised during the year	7.50
Add: Foreign exchange adjustments	0.15
Less: Provision written back	(35.21)
Balance as at March 31, 2023	**14.27**
Balance as at April 1, 2021	51.27
Add: Impairment losses recognised during the year	6.66
Add: Foreign exchange adjustments	0.59
Less: Provision written back	(16.69)
Balance as at March 31, 2022	**41.83**

Cash and bank balances

The Group held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of ₹ 105.18 crore and ₹ 508.03 crore as at March 31, 2023 and March 31, 2022 respectively. The credit worthiness of the such bank and financial institutions is evaluated by management on an ongoing basis and is considered to be good.

Inter-Corporate Deposits/ Loans to subsidiaries

The Group has given unsecured Inter-corporate deposits /loans to its subsidiaries for meeting its working capital requirements. The Group does not perceive any credit risk pertaining to inter-corporate deposits/ loans provided to subsidiaries.The Group makes provision of expected credit losses to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Derivatives

The derivatives are entered with the credit worthy banks and financial institutions counter parties. The Credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis is considered to be good.

Guarantees

The Company has also provided guarantees to the customers of subsidiaries in respect of mobilisation advance received by the subsidiaries and for the performance of the contract obligations.

Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by the Group as at March 31, 2023 and March 31, 2022. The Group monitors the credit worthiness of such lessors where the amount of security deposit is material.

Other than the trade receivables, and other receivables the Group has no other financial assets that are past due but not impaired.

ii Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has obtained fund and non-fund based working capital lines from various banks and financial institutions. The Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. The management monitor's the company net liquidity position through rolling forecasts on the basis of expected cash flow.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

As at 31 March 2023, the Group had trust receipts of ₹ 168.28 crore (31 March 2022: ₹ 76.03 crore), secured borrowings from banks of ₹ 1,648.12 crore (31 March 2022: ₹ 270.52 crore), secured loan from financial institution of ₹ 100.00 crore (31 March 2022: Nil), Commercial papers ₹ 9.60 crore (31 March 2022: ₹ Nil), Supplier credit facility ₹ 46.88 crore (31 March 2022: ₹ 42.14 crore), Cash credit loan ₹ 42.08 crore (31 March 2022: ₹ 46.37 crore), cash and cash equivalents of ₹ 47.90 crore (31 March 2022: ₹ 457.51 crore) and other bank balances of ₹ 57.28 crore (31 March 2022: ₹ 50.53 crore).

During the year ended March 31, 2023, there were Nil occassions of delay in repayment of working capital loans.

During the year ended March 31, 2022, there were 23 occassions of delay in repayment of working capital loans to twelve Banks for a period ranging between 1 to 28 days. There were no instances of delays in working capital loans other than as mentioned. Further the same were regularised and there is no overdue outstanding as at March 31, 2022.

As at March 31, 2023, the Subsidiary of the Holding Company has not achieved a covenant relating to a leverage ratio with respect to a facility agreement with a lender. However, the lender has renewed the facility agreement prior to the reporting date (in January 2023) and the borrowing arrangements were still in effect as of the reporting date.

Exposure to liquidity risk

The table below analyses the group's financial liabilities into relevant maturity groupings based on their contractual maturities for non derivative financial liabilities (including estimated interest):

		Contractual cash flows				
March 31, 2023	**Carrying amount**	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
7%, Non-convertible, Non-cumulative Preference shares*	0.00	0.00	-	-	-	0.00
Lease liabilities	14.66	19.23	4.65	2.97	7.18	4.43
Secured loans	1,790.20	1,995.43	1,225.02	413.74	356.67	-
Unsecured loans	56.48	62.88	62.88	-	-	-
Trust receipts	168.28	171.55	171.55	-	-	-
Trade payables	649.96	649.96	649.96	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.30	3.30	3.30	-	-	-
Other current financial liabilities	41.69	41.69	41.69	-	-	-
	2,729.15	**2,948.63**	**2,163.63**	**416.71**	**363.85**	**4.43**

* Amount is less than ₹ 0.01 crore

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

		Contractual cash flows				
March 31, 2022	**Carrying amount**	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than5 years**
Non-derivative financial liabilities						
7%, Non-convertible, Non-cumulative Preference shares	0.00	0.00	-	-	-	0.00
Lease liabilities	11.13	13.52	3.58	2.94	4.73	2.26
Secured loans	316.89	327.97	327.97	-	-	-
Unsecured loans	42.14	45.56	45.56			
Trust receipts	76.03	76.03	76.03	0	0	0
Trade payables	1,402.86	1,402.86	1,402.86	-	-	-
Interest accrued and due	4.59	4.59	4.59	-	-	-
Interest accrued and not due	3.40	3.40	3.40	-	-	-
Other current financial liabilities	26.86	26.86	26.86	-	-	-
	1,883.90	**1,900.79**	**1,890.85**	**2.94**	**4.73**	**2.26**
Derivative financial liabilities:						
Forward exchanged contracts used for hedging						
- Outflow	20.37	742.29	742.29	-	-	-
- Inflow	-	(721.92)	(721.92)	-	-	-
Other current financial liabilities	**20.37**	**20.37**	**20.37**			

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(a) Currency Risk

The Holding Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Holding Company is Indian Rupee.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

Amounts in INR	March 31, 2023				
	USD	EUR	AUD	AED	Others *
Financial assets					
Trade Receivables	136.22	-	-	-	-
Cash and Cash Equivalents	0.12	0.01	0.29	-	0.00
Bank balances other than cash and cash equivalents	-	-	-	-	-
Other receivables	249.71	-	-	-	-
Exposure to foreign currency assets	**386.05**	**0.01**	**0.29**	**-**	**0.00**
Less: Forward exchange contract	-	-	-	-	-
Net exposure to foreign currency Asset	**386.05**	**0.01**	**0.29**	**-**	**0.00**
Financial liabilities					
Trade payables and other payable	3.35	10.21	-	-	0.93
Exposure to foreign currency liabilities	**3.35**	**10.21**	**-**	**-**	**0.93**
Less: Forward exchange contract	-	-	-	-	-
Net exposure to foreign currency liabilities	**3.35**	**10.21**	**-**	**-**	**0.93**
Net Exposure	**382.70**	**(10.20)**	**0.29**	**-**	**(0.93)**

*others include West African Franc (XOF), Moroccon Dirhams (MAD), Swiss Franc (CHF), Israeli Shekel (ILS) and Australian Dollar (AUD).

Amounts in INR	March 31, 2022				
	USD	EUR	AUD	AED	Others *
Financial assets					
Trade Receivable	214.18	-	0.43	-	-
Cash and Cash Equivalents	0.52	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-	-
Other receivables	421.93	0.55	-	-	0.02
Exposure to foreign currency assets	**636.63**	**0.55**	**0.43**	**-**	**0.02**
Forward exchange contract	-	-	-	-	-
Net exposure to foreign currency assets	**636.63**	**0.55**	**0.43**	**-**	**0.02**
Financial liabilities					
Trade payables and other payable	6.55	0.69	-	-	1.99
Exposure to foreign currency liabilities	**6.55**	**0.69**	**-**	**-**	**1.99**
Forward exchange contract	-	-	-	-	-
Net exposure to foreign currency liabilities	**6.55**	**0.69**	**-**	**-**	**1.99**
Net exposure	**630.08**	**(0.14)**	**0.43**	**-**	**(1.97)**

*others include West African Franc (XOF), Moroccon Dirhams (MAD), Swiss Franc (CHF), British Pound (GBP), Zambian Kwacha (ZMW), Namibia Dollar (NAD), Egyptian Pound (EGP), South African Rand (SAR), Thailand Baht(THB).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

a. ***The forward contracts booked also includes the future purchase transaction exposure.***

Sensitivity analysis

A 5% strengthening / weakening of the respective foreign currencies with respect to functional currency of Group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in INR million	March 31, 2023 Profit and Loss		March 31, 2022 Profit and Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD	19.13	(19.13)	31.50	(31.50)
EUR	(0.51)	0.51	(0.01)	0.01
AUD	0.01	(0.01)	0.02	(0.02)
Others *	(0.05)	0.05	(0.10)	0.10

*others include West African Franc (XOF), Moroccon Dirhams (MAD), Swiss Franc (CHF), British Pound (GBP), Zambian Kwacha (ZMW), Namibia Dollar (NAD), Egyptian Pound (EGP), South African Rand (SAR), Thailand Baht(THB).

b. ***Hedge accounting***

Cash flow hedges

At March 31, 2023, the Group holds the following instruments to hedge exposures to changes in foreign currency.

Foreign currency risk	Maturity analysis		
	1-6 months	6-12 months	More than 1 year
Foreign exchange forward contracts			
Net exposure (loss) / gain (₹ in crore)	3.72	-	-
Average GBP:INR forward contract rate	101.00	-	-

The amounts at the reporting date relating to items designated as hedged items are as follows

Foreign currency risk	Change in value used for calculating hedge ineffectivness	Effective portion of cash flow hedges	Costs of hedging	Balances remaining in equity head 'effective portion of cash flow hedges' from hedging relationships for which hedge accounting is no longer applied
March 31, 2023				
Foreign currency risk				
Foreign currency payable - Receivable (GBP) and payable (INR)	-	3.72	-	-
	-	**3.72**	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

Foreign currency risk	March 31, 2023			During the year ended March 31, 2023		
	Carrying amount					
	Nominal amount	Assets	Liabilities	Changes inthe value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI
March 31, 2023						
AUD-USD	-	-	-	20.34		
USD-INR	-	-	-	0.00		
GBP-INR	1.96	3.72	0.00	3.72	-	-

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting :

	March 31, 2023	
	Equity head	
	Effective portion of cash flow hedges	Cost of hedging
Balance as at April 1, 2022	(15.21)	-
Cash flow hedges		
Changes in fair value :		
Highly probable forecast cash flows – Trade receivables	35.84	-
Highly probable forecast cash flows – Trade payable and Letter of credit payable	0.00	-
Amount reclassified to profit or loss - Highly probable forecast cash flows – Trade receivables	(15.50)	-
Foreign currency payable - Advance from customers	3.72	-
Amount included in the cost of non-financial items	-	-
Tax on movements in relevant items of OCI during the year	(5.13)	-
Balance as at March 31, 2023	**3.72**	**-**

At March 31, 2022, the Group holds the following instruments to hedge exposures to changes in foreign currency.

Foreign currency risk	Maturity analysis		
	1-6 months	6-12 months	More than 1 year
Foreign exchange forward contracts			
Net exposure (loss) / gain (₹ in crore)	(20.37)	-	-
Average AUD:USD forward contract rate	0.72	-	-
Average USD:INR forward contract rate	76.47	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The amounts at the reporting date relating to items designated as hedged items are as follows

Foreign currency risk	Change in value used for calculating hedge ineffectivness	Effective portion of cash flow hedges	Costs of hedging	Balances remaining inequity head 'effective portion of cash flow hedges' from hedging relationships for which hedge accounting is no longer applied
March 31, 2022				
Foreign currency risk				
Foreign currency risk				
Highly probable forecast cash flows - receivable (AUD) and payable (USD)	-	(20.37)	-	-
Highly probable forecast cash flows - letter of credit payable (USD)	-	(0.00)	-	-
	-	(20.37)	-	-

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

Foreign currency risk	March 31, 2022			During the year ended March 31, 2022		
	Carrying amount					
	Nominal amount	Assets	Liabilities	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI
March 31, 2022						
AUD-INR	-	-	0.00	0.30	-	-
AUD-USD	10.60	-	(20.37)	75.77	(0.02)	-
USD-INR	1.60	-	(0.00)	0.45	-	-

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting :

	March 31, 2022	
	Equity head	
	Effective portion of cash flow hedges	Cost of hedging
Balance as at April 1, 2021	(74.08)	-
Cash flow hedges		
Changes in fair value :		
Highly probable forecast cash flows – Trade receivables	20.94	-
Highly probable forecast cash flows – Trade payable and Letter of credit payable	0.45	-
Amount reclassified to profit or loss - Highly probable forecast cash flows – Trade receivables	55.13	-
Amount included in the cost of non-financial items	-	-
Tax on movements in relevant items of OCI during the year	(3.77)	-
Tax on relevant items of OCI during the year reclassified to profit or loss	(13.88)	-
Balance as at March 31, 2022	**(15.21)**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates to security deposits, loans given and borrowings from financial institutions.

For details of the Group's current and non-current borrowings, including interest rate profiles, refer to Note 22 and 25 of these financial statements.

Particulars	March 31, 2023	March 31, 2022
Fixed rate instruments		
Financial Assets	56.79	48.75
Financial liabilities	(1,987.53)	(399.83)
	(1,930.74)	**(351.08)**
Variable rate instruments		
Financial liabilities	(42.08)	(46.37)
	(42.08)	**(46.37)**

Interest rate sensitivity - fixed rate instruments

The Group's fixed rate borrowings and fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

INR	March 31, 2023 Profit or loss		March 31, 2022 Profit or loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(0.42)	0.42	(0.46)	0.46
Cash flow sensitivity (net)	**(0.42)**	**0.42**	**(0.46)**	**0.46**

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

(c) Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group monitors capital using a ratio of adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The Group's adjusted net debt to equity ratio is as follows:

Particulars	March 31, 2023	March 31, 2022
Non-Current Borrowings	711.09	7.95
Current Borrowings	1,118.52	438.26
Current maturity of long-term debt	200.00	438.26
Gross debt	2,029.61	446.21
Less : Cash and cash equivalents	47.90	457.51
Adjusted net debt	1,981.71	(11.30)
Total equity	(240.30)	905.83
Adjusted net debt to adjusted equity ratio	**(8.25)**	**(0.01)**

52 The Red Herring Prospectus dated July 29, 2019 stated that the Shapoorji Pallonji and Company Private Limited and Khurshed Yazdi Daruvala ("Selling Shareholders") shall use a portion of net offer proceeds towards funding full repayment of the outstanding inter-corporate deposits/ loans payable by fellow subsidiaries to the Holding Company and its subsidiary company. The balance outstanding as at the beginning of the previous year was entirely repaid during the previous year along with all interest accrued thereagainst.

The Holding Company has responded to queries on this matter raised by the concerned authorities. The Holding Company, based on independent opinions from legal experts, has determined that there is no non-compliance with any provisions of the Companies Act, 2013 and/ or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, by the Holding Company, in respect of this matter.

53 Details of branches and subsidiaries

The Consolidated Financial Statements includes the financial statements of the following entities:

Sr. No.	Name of Branch/ Company	Country of Incorporation	% Holding as at March 31, 2023	Control and share of profit / loss as at March 31, 2023
	Branches:			
1	Sterling and Wilson - Philippines	Phillipines	NA	NA
2	Sterling and Wilson - Namibia	Namibia	NA	NA
3	Sterling and Wilson - Zambia	Zambia	NA	NA
4	Sterling and Wilson - Vietnam (1 branch and 2 Project office)	Vietnam	NA	NA
5	Sterling and Wilson - Argentina	Argentina	NA	NA
6	Sterling and Wilson - Egypt	Egypt	NA	NA
7	Sterling and Wilson - Australia	Australia	NA	NA
8	Sterling and Wilson - Indonesia	Indonesia	NA	NA
9	Sterling and Wilson - Jordan (2 branches)	Jordon	NA	NA
10	Sterling and Wilson - Mexico	Mexico	NA	NA
11	Sterling and Wilson - Kenya	Kenya	NA	NA
12	Sterling and Wilson - Morocoo	Morocco	NA	NA
13	Sterling and Wilson - Dubai	United Arab Emirates	NA	NA
14	Sterling and Wilson - Chile	Chile	NA	NA
15	Sterling and Wilson - United Kingdom	United Kingdom	NA	NA
16	Sterling and Wilson - Tanzania	Tanzania	NA	NA

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Name of Branch/ Company	Country of Incorporation	% Holding as at March 31, 2023	Control and share of profit / loss as at March 31, 2023
17	Sterling and Wilson - New Zealand	New Zealand	NA	NA
18	Sterling and Wilson - Mali	Mali	NA	NA
	Subsidiaries:			
1	Sterling and Wilson International Solar FZCO	United Arab Emirates	100%	100%
2	Sterling and Wilson (Thailand) Limited*	Thailand	100%	100%
3	Sterling and Wilson Saudi Arabia Limited*	Saudi Arabia	95%	100%
4	Sterling Wilson - SPCPL - Chint Moroccan Venture	India	92%	92%
5	Esterlina Solar Engineers Private Limited	India	100%	100%
6	Sterling and Wilson Solar LLC	Oman	70%	100%
	Subsidiaries of Sterling and Wilson International Solar FZCO:			
1	Sterling and Wilson Middle East Solar Energy L.L.C. (100% holding w.e.f August 24, 2021)	United Arab Emirates	100%	100%
2	Sterling and Wilson Singapore Pte Ltd	Singapore	100%	100%
3	Sterling and Wilson Engineering (Pty) Ltd	South Africa	60%	60%
4	Sterling and Wilson Solar Solutions Inc.	United States of America	100%	100%
5	Sterling and Wilson Solar Spain, S.L.	Spain	99%	99%
6	GCO Solar Pty. Ltd.	Australia	100%	100%
7	Sterling and Wilson International LLP	Kazakhstan	100%	100%
8	Sterling and Wilson Solar Australia Pty. Ltd.	Australia	100%	100%
9	Sterling and Wilson Solar Malaysia Sdn. Bhd. (upto January 20, 2023)	Malasiya	30%	100%
10	Sterling and Wilson Renewable Energy Spain S.L. (formerly known as Esterlina Solar – Proyecto Diez, S.L.)	Spain	100%	100%
	Subsidiary of Sterling and Wilson Singapore Pte Ltd:			
1	Sterling and Wilson Kazakhstan LLP	Kazakhstan	100%	100%
	Subsidiary of Sterling and Wilson Solar Solutions Inc.			
1	Sterling and Wilson Solar Solutions LLC	United States of America	100%	100%
2	Sterling and Wilson Renewable Energy Nigeria Limited (w.e.f. February 9, 2023)	Nigeria	100%	100%
	Subsidiaries of Sterling and Wilson Solar Spain, S.L.			
1	Esterlina Solar – Proyecto Uno, S.L.	Spain	100%	100%
2	Esterlina Solar – Proyecto Dos, S.L.	Spain	100%	100%
3	Esterlina Solar – Proyecto Tres, S.L.	Spain	100%	100%
4	Esterlina Solar – Proyecto Cuatro, S.L.	Spain	100%	100%
5	Esterlina Solar – Proyecto Cinco, S.L.	Spain	100%	100%
6	Esterlina Solar – Proyecto Seis, S.L.	Spain	100%	100%
7	Esterlina Solar – Proyecto Siete, S.L.	Spain	100%	100%
8	Esterlina Solar – Proyecto Ocho, S.L.	Spain	100%	100%
9	Esterlina Solar – Proyecto Nueve, S.L.	Spain	100%	100%

* The Company is in the process of completing the relevant statutory and regulatory procedures to give effect to the Scheme of Arrangement approved by the National Company Law Tribunal ('NCLT') order dated 28 March 2018.

The Consolidated Financial Statements includes the financial statements of the following entities:

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

The Consolidated Financial Statements includes the financial statements of the following entities:

Sr. No.	Name of Company	Country of Incorporation	% Holding as at March 31, 2022	Control and share of profit / loss as at March 31, 2022
	Branches:			
1	Sterling and Wilson - Philippines	Phillipines	NA	NA
2	Sterling and Wilson - Namibia	Namibia	NA	NA
3	Sterling and Wilson - Zambia	Zambia	NA	NA
4	Sterling and Wilson - Vietnam (1 Branch and 2 Project office)	Vietnam	NA	NA
5	Sterling and Wilson - Argentina	Argentina	NA	NA
6	Sterling and Wilson - Egypt (2 branches)	Egypt	NA	NA
7	Sterling and Wilson - Australia	Australia	NA	NA
8	Sterling and Wilson - Indonesia	Indonesia	NA	NA
9	Sterling and Wilson - Jordon (2 Branches)	Jordon	NA	NA
10	Sterling and Wilson - Mexico	Mexico	NA	NA
11	Sterling and Wilson - Kenya	Kenya	NA	NA
12	Sterling and Wilson - Morocoo	Morocco	NA	NA
13	Sterling and Wilson - Dubai	United Arab Emirates	NA	NA
14	Sterling and Wilson - Chile	Chile	NA	NA
15	Sterling and Wilson - United Kingdom	United Kingdom	NA	NA
	Subsidiaries:			
1	Sterling and Wilson International Solar FZCO	United Arab Emirates	100%	100%
2	Sterling and Wilson (Thailand) Limited*	Thailand	100%	100%
3	Sterling and Wilson Saudi Arabia Limited*	Saudi Arabia	100%	100%
4	Sterling Wilson - SPCPL - Chint Moroccan Venture	India	92%	92%
5	Esterlina Solar Engineers Private Limited	India	100%	100%
6	Sterling and Wilson Solar LLC	Oman	70%	100%
	Subsidiaries of Sterling and Wilson International Solar FZCO:			
1	Sterling and Wilson Middle East Solar Energy L.L.C. (100% holding w.e.f August 24, 2021)	United Arab Emirates	100%	100%
2	Sterling and Wilson Singapore Pte Ltd	Singapore	100%	100%
3	Sterling and Wilson Engineering (Pty) Ltd	South Africa	60%	60%
4	Sterling and Wilson Solar Solutions Inc.	United States of America	100%	100%
5	Sterling and Wilson Solar Spain, S.L.* # (Formerly known as Renovable Energia Contracting S.L.)	Spain	99%	99%
6	GCO Solar Pty. Ltd. (formerly known as GCO Electrical Pty Ltd) (w.e.f. January 1, 2021)	Australia	100%	100%

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Sr. No.	Name of Company	Country of Incorporation	% Holding as at March 31, 2022	Control and share of profit / loss as at March 31, 2022
7	Sterling and Wilson International LLP (formerly known as A&S Company LLP)	Kazakhstan	100%	100%
8	Sterling and Wilson Solar Australia Pty. Ltd.	Australia	100%	100%
9	Sterling and Wilson Solar Malaysia Sdn. Bhd.	Malasiya	30%	100%
	Subsidiary of Sterling and Wilson Singapore Pte Ltd:			
1	Sterling and Wilson Kazakhstan LLP	Kazakhstan	100%	100%
	Subsidiary of Sterling and Wilson Solar Solutions Inc.			
1	Sterling and Wilson Solar Solutions LLC	United States of America	100%	100%

* The Company is in the process of completing the relevant statutory and regulatory procedures to give effect to the Scheme of Arrangement approved by the National Company Law Tribunal ('NCLT') order dated 28 March 2018.

\# During the current year, 10 subsidiaries under Sterling and Wilson Solar Spain, S.L. has been incorporated and share capital has not been infused as at March 31, 2022.

54 Additional information, as required under Schedule III to the Companies Act, 2013

Name of the Company	March 31, 2023							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Sterling and Wilson Solar Limited	-486.48%	1,168.98	30.22%	(355.02)	76.35%	19.45	29.19%	(335.57)
Subsidiaries								
Indian								
Sterling Wilson-SPCPL-Chint Moroccan Venture	50.19%	(120.61)	4.82%	(56.61)	-10.99%	(2.80)	5.17%	(59.41)
Esterlina Solar Engineers Private Limited	-0.06%	0.15	0.00%	0.01	0.00%	-	0.00%	0.01
Foreign								
Sterling and Wilson International Solar FZCO and its subsidiaries								
Sterling and Wilson International Solar FZCO	-115.77%	278.18	26.55%	(312.01)	5.15%	1.31	27.03%	(310.70)
Sterling and Wilson Middle East Solar Energy LLC	-12.17%	29.25	3.38%	(39.69)	3.74%	0.95	3.37%	(38.74)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Name of the Company	March 31, 2023							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Sterling and Wilson Singapore Pte Ltd.	0.57%	(1.37)	0.01%	(0.15)	0.00%	-	0.01%	(0.15)
Sterling and Wilson Kazakhstan LLP	0.54%	(1.30)	0.01%	(0.07)	0.00%	-	0.01%	(0.07)
Sterling and Wilson International LLP	0.01%	(0.02)	0.00%	-	0.00%	-	0.00%	-
GCO Solar Pty. Ltd.	60.63%	(145.69)	2.47%	(29.04)	0.00%	-	2.53%	(29.04)
Sterling and Wilson Engineering (Pty) Ltd.	4.75%	(11.41)	0.06%	(0.73)	0.00%	-	0.06%	(0.73)
Sterling and Wilson Solar Solutions Inc.	185.31%	(445.30)	21.73%	(255.30)	0.00%	-	22.21%	(255.30)
Sterling and Wilson Solar Spain S.L.	13.89%	(33.37)	0.70%	(8.17)	0.00%	-	0.71%	(8.17)
Sterling and Wilson Renewable Energy Spain S.L.	-0.03%	0.06	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Sterling and Wilson Solar Australia Pty. Ltd.	294.00%	(706.46)	27.28%	(320.54)	0.00%	-	27.89%	(320.54)
Sterling and Wilson Solar Malaysia Sdn. Bhd. (upto January 6, 2023)	0.00%	-	0.01%	(0.11)	0.00%	-	0.01%	(0.11)
Other Foreign Subsidiaries								
Sterling and Wilson (Thailand) Limited	0.05%	(0.11)	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson Solar LLC	-1.62%	3.90	0.08%	(0.89)	2.34%	0.59	0.03%	(0.30)
Sterling & Wilson Saudi Arabia Limited	0.71%	(1.71)	0.00%	(0.05)	-0.69%	(0.18)	0.02%	(0.23)
Non Controlling Interest in all subsidiaries	6.34%	(15.22)	0.46%	(5.41)	4.34%	1.11	0.37%	(4.30)
Total Eliminations on Consolidation	99.15%	(238.25)	-17.77%	208.84	19.81%	5.05	-18.61%	213.89
Total	**100.00%**	**(240.30)**	**100.00%**	**(1,174.96)**	**100.00%**	**25.48**	**100.00%**	**(1,149.48)**

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Name of the Company	March 31, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Sterling and Wilson Renewable Energy Limited	165.73%	1,501.23	18.29%	(167.52)	89.79%	63.00	12.36%	(104.52)
Subsidiaries								
Indian								
Sterling & Wilson - Waaree Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling Wilson-SPCPL-Chint Moroccan Venture	-6.76%	(61.20)	3.74%	(34.27)	-2.76%	(1.94)	4.28%	(36.21)
Esterlina Solar Engineers Private Limited	0.02%	0.14	0.19%	(1.74)	0.00%	-	0.21%	(1.74)
Foreign								
Sterling and Wilson International Solar FZCO and its subsidiaries								
Sterling and Wilson International Solar FZCO	57.34%	519.36	41.79%	(382.65)	13.31%	9.34	44.15%	(373.31)
Sterling and Wilson Middle East Solar Energy LLC	7.06%	63.99	4.53%	(41.52)	-0.61%	(0.43)	4.96%	(41.95)
Sterling and Wilson Singapore Pte Ltd.	-0.12%	(1.11)	0.01%	(0.11)	0.00%	-	0.01%	(0.11)
Sterling and Wilson Kazakhstan LLP	-0.12%	(1.13)	0.03%	(0.28)	0.00%	-	0.03%	(0.28)
Sterling and Wilson International LLP - Kazakhstan	0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-
Geco Solar Pty. Ltd. (	-11.71%	(106.10)	3.90%	(35.70)	0.00%	-	4.22%	(35.70)
Sterling and Wilson Engineering (Pty) Ltd.	-1.08%	(9.79)	0.54%	(4.98)	0.00%		0.59%	(4.98)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

Name of the Company	March 31, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Sterling and Wilson Solar Solutions Inc.	-18.19%	(164.76)	6.37%	(58.35)	0.00%	-	6.90%	(58.35)
Renovable Energia Contracting S.L.*	-2.52%	(22.85)	1.26%	(11.55)	0.00%	-	1.37%	(11.55)
Sterling and Wilson Solar Australia Pty. Ltd.	-37.79%	(342.31)	20.28%	(185.71)	0.00%	-	21.96%	(185.71)
Sterling and Wilson Solar Malaysia Sdn. Bhd.	0.07%	0.61	0.02%	(0.22)	0.00%	-	0.03%	(0.22)
Sterling and Wilson Solar Solutions LLC	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Other Foreign Subsidiaries								
Sterling and Wilson Brasil Servicos Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson (Thailand) Limited	-0.01%	(0.11)	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson Solar LLC	0.49%	4.42	0.81%	(7.46)	0.32%	0.22	0.86%	(7.24)
Sterling & Wilson Saudi Arabia Limited	-0.17%	(1.50)	0.01%	(0.05)	-0.03%	(0.02)	0.01%	(0.07)
Non Controlling Interest in all subsidiaries	-1.21%	(10.93)	0.69%	(6.30)	-0.62%	(0.43)	0.80%	(6.73)
Total Eliminations on Consolidation	-51.01%	(462.09)	-2.47%	22.63	0.60%	0.42	-2.73%	23.05
Total	**100.00%**	**905.83**	**100.00%**	**(915.76)**	**100.00%**	**70.16**	**100.00%**	**(845.60)**

*During the year ended March 31, 2022, 10 subsidiaries under Sterling and Wilson Solar Spain, S.L. has been incorporated and share capital has not been infused as at March 31, 2022 and their Net Assets, Share in loss and Share in other comprehensive income is ₹ Nil as at and for the year ended March 31, 2022.

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for the year ended March 31, 2023

(Currency: Indian rupees in crore)

55 Non-controlling Interests

The following table summarises the information relating to each of the Group's subsidiaries that has NCI, before any intra-group eliminations:

March 31, 2023	Sterling Wilson-SPCPL-Chint Moroccan Venture	Sterling & Wilson Engineering Proprietary Limited	Total
Percentage of non-controlling interests	**8%**	**40%**	
Non-current assets	1.42	4.35	5.77
Current assets	25.83	14.38	40.21
Non-current liabilities	-	-	-
Current liabilities	(157.93)	(33.78)	(191.71)
Net assets	**(130.68)**	**(15.05)**	**(145.73)**
Consolidation adjustment	**-**	**3.13**	**3.13**
Net assets attributable to NCI	**(10.45)**	**(4.77)**	**(15.22)**

March 31, 2023	Sterling Wilson-SPCPL-Chint Moroccan Venture	Sterling & Wilson Engineering Proprietary Limited	Total
(Loss) / profit after income tax	(61.53)	(1.21)	(62.74)
Other comprehensive income	(3.04)	3.37	0.33
Total comprehensive income	(64.57)	2.16	(62.41)
Profit attributable to NCI	(4.93)	(0.48)	(5.41)
Consolidation adjustment	-	-	-
Total profit attributable to NCI	**(4.93)**	**(0.48)**	**(5.41)**
Other comprehensive income attributable to NCI	**(0.24)**	**1.35**	**1.11**
Total comprehensive income attributable to NCI	**(5.17)**	**0.87**	**(4.30)**
Cash flows (used in) / generated from operating activities	(13.44)	9.87	(3.57)
Cash flows (used in) investing activities	(0.02)	-	(0.02)
Cash flows (used in) financing activities	(4.65)	(14.83)	(19.48)
Net (decrease) in cash and cash equivalents	**(18.11)**	**(4.96)**	**(23.07)**
Net (decrease) in cash and cash equivalents attributable to NCI	**(1.45)**	**(1.98)**	**(3.43)**

Notes to the Consolidated Financial Statements

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(Currency: Indian rupees in crore)

March 31, 2022	Sterling Wilson-SPCPL-Chint Moroccan Venture	Sterling & Wilson Engineering Proprietary Limited	Total
Percentage of non-controlling interests	**8%**	**40%**	
Non-current assets	1.35	4.58	5.93
Current assets	76.81	25.52	102.33
Non-current liabilities	-	-	-
Current liabilities	(144.27)	(45.99)	(190.26)
Net assets	**(66.11)**	**(15.89)**	**(82.00)**
Consolidation adjustment	**-**	**1.78**	**1.78**
Net assets attributable to NCI	**(5.29)**	**(5.64)**	**(10.93)**

March 31, 2022	Sterling Wilson-SPCPL-Chint Moroccan Venture	Sterling & Wilson Engineering Proprietary Limited	Total
Profit after income tax	(37.25)	(8.30)	(45.55)
Other comprehensive income	(2.11)	(0.66)	(2.77)
Total comprehensive income	(39.36)	(8.96)	(48.32)
(Loss) attributable to NCI	(2.98)	(3.32)	(6.30)
Consolidation adjustment	-	-	-
(Loss) attributable to NCI	**(2.98)**	**(3.32)**	**(6.30)**
Other comprehensive income attributable to NCI	**(0.17)**	**(0.26)**	**(0.43)**
Total comprehensive (loss) attributable to NCI	**(3.15)**	**(3.58)**	**(6.73)**
Cash flows generated from operating activities	6.84	7.21	14.05
Cash flows generated from investing activities	-	3.34	3.34
Cash flows (used in) financing activities	(5.57)	(3.41)	(8.97)
Net increase in cash and cash equivalents	**1.27**	**7.14**	**8.42**
Net increase in cash and cash equivalents attributable to NCI	**0.10**	**2.86**	**2.96**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

56 Transfer Pricing

The Group's international transactions with related parties are at arm's length as per the Independent accountants report for the year ended March 31, 2022. Management believes that the Group's international transactions with related parties post March 31, 2022 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these consolidated financial statements, particularly on amount of tax expense and that of provision for taxation.

57 Other receivables include costs incurred in relation to additional works undertaken by the Subsidiary Company to compensate a customer for deficiencies in the products supplied under the terms of the contract with the customer. The Subsidiary Company has incurred total cost of ₹ 114.51 crore (March 31, 2022: ₹ 105.43 crore) for the supply and installation of additional works. The management is of the view that the Subsidiary Company, under the terms of the Supply Agreement with its supplier has reasonable grounds to claim against the supplier for the costs incurred to complete the additional works. The management's view is also endorsed and supported by a legal opinion obtained from an external law firm. Accordingly, the management is confident that the amount is fully recoverable.

The Subsidiary Company has also filed a request for arbitration with ICC, London as a claim for recovery of ₹ 2,983.44 crore as at March 31, 2023 (March 31, 2022: 1,652.04 crore) (inclusive of the above incurred cost) as per the Module supply agreement between the Subsidiary Company and its supplier for its failure to rectify degradation losses in the performance of the PV modules. This matter is covered under the Indemnity Agreement (Refer note 58)."

58 On 29 December 2021, the Parent Company has signed an Indemnity Agreement with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the "Promoter Selling Shareholders") and Reliance New Energy Limited (formerly Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Parent Company and its subsidiaries/branches for a net amount, if it exceeds ₹ 300.00 crore, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreements), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters. These amounts would be settled by 30 September 2022 and thereafter on 30 September of each succeeding year, on the basis of the final settlement amounts with customers/suppliers/other authorities. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. The Promoter Selling Shareholders are consequently entitled to net off the amounts payable, with specific counter-claims levied and recovered by the Parent Company and its subsidiaries/branches on its customers/vendors relating to these matters.

In line with the terms of the Indemnity Agreement, the Parent Company has determined the crystallized claim to be levied on the Promoter Selling Shareholders for the period ending 30 September 2022, after deduction of ₹ 300.00 crore to be borne by the Parent Company and its subsidiaries/branches, for which the provisions were recorded upto 31 December 2021. The Group has aligned a part of this provision along certain financial heads in keeping with the crystallized claims as on 30 September 2022. Consequently, this has resulted in an increase in Other Income by ₹ 90.35 crore and Direct Project Cost by ₹ 10.10 crore. This has been offset by a reduction in Revenue from operations by ₹ 90.35 crore and reversal of Tax adjustments relating to earlier period/ year by ₹ 10.10 Crore. This has no impact on the loss after tax for the year ended 31 March 2023.

During the current year, the Group had raised Indemnity Calculation Notice on the Promoter Selling Shareholders towards the crystallized claim amounting to ₹ 90.14 crore comprising of ₹ 66.67 crore against indemnity matters and ₹ 23.47 crore towards legal fees paid by the Group for matters under dispute. As of 31 March 2023, ₹ 11.47 crore relating to legal fees was outstanding, which has been received subsequent to the year end.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

59 The Parent 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 Parent 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 Parent 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 Parent Company ₹ 92.45 crore. In addition, an amount of ₹ 64.10 crore under confirmed, irrevocable Letters of Credit arranged by the customer from their bank mainly for the supplies which had been discounted by Parent 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 Parent Company's bank citing prevention against doing the same due to the NCLT order, and the Parent Company had to return the amount back to its bank.

During the year ended March 31, 2020, the Parent Company had initiated legal proceedings in both these matters, which are now pending with the National Company Law Appellate Tribunal. Further during the year ended March 31, 2023, the Parent Company has filed a criminal complaint against the developer.

The Parent Company had sought legal opinion regarding the amount due from the developer as per their assurance letter and from the customer's bank due to failure to pay confirmed Letters of Credit and has been advised that the said amounts are recoverable. The amount of ₹ 92.45 crore and ₹ 64.10 crore is shown under the head Trade Receivables and Other Financial Assets, respectively. Both of the above are covered under the Indemnity Agreement (Refer note 58)."

60 A Subsidiary Company has incurred ₹ 21.68 crore (USD 2.64 Million) towards cost of remediation works due to defective parts supplied by a supplier. The Subsidiary has made a claim of ₹ 79.66 crore (USD 9.70 Million) towards the expected remediation costs, liquidated damages due as per supply agreement and back charge of liquidated damages from the customer and holds the supplier's surety bond of value ₹ 12.65 crore (USD 1.54 Million). The Management is confident that the amount is fully recoverable.

61 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Holding Company towards Provident fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code of Social Security, 2020 on 13 Novemeber 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Holding Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

62 During the current year, the managerial remuneration paid by the Parent Company in relation to its Manager is in excess of the limits laid down under Section 197 of the Companies Act, 2013, read with schedule V to the Act by ₹ 1.00 crore (March 31, 2022: ₹ 0.69 crore). The Parent Company is in the process of obtaining approval by a special resolution for ₹ 1.00 (March 31, 2022: ₹ 0.69 crore) crore towards the managerial remuneration for the financial year 2022-2023 from its shareholders at the forthcoming annual general meeting.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(Currency: Indian rupees in crore)

63 Disclosure of balances with companies struck off by the Registrar of Companies ('RoC')

Sr. no.	Name of Struck off Company	Nature of transactions with Struck off Company	Relationship with the Struck off Company	Balance outstanding as at 31 March 2023	Balance outstanding as at 31 March 2022
1	Technoindus Infrastructure And Services Private Limited	Trade payable	None	0.03	0.03
2	Linear Point Surveys Private Limited	Trade payable	None	0.04	0.04
				0.07	**0.07**

64 Other matters

Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Group for the year.

As per our report of even date attached.
For **Kalyaniwalla and Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No: 42454

Mumbai
April 20, 2023

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W-W-100018

Mohammed Bengali
Partner
Membership No: 105828

Chandra Thakur
Manager
Mumbai

For and on behalf of the Board of Directors of
Sterling and Wilson Renewable Energy Limited
(formerly known as Sterling and Wilson Solar Limited)
CIN: L74999MH2017PLC292281

Khurshed Daruvala
Chairman
DIN: 00216905
Mumbai

Pallon Mistry
Director
DIN: 05229734
Mumbai

Bahadur Dastoor
Chief Financial Officer
Membership No: 48936
Mumbai

Jagannadha Rao Ch. V.
Company Secretary
Membership No: F2808
Mumbai
April 20, 2023

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