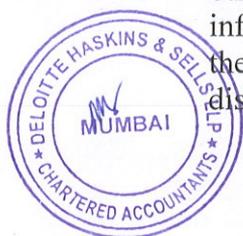


**REVIEW REPORT  
TO THE BOARD OF DIRECTORS  
STERLING AND WILSON RENEWABLE ENERGY LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of *Sterling and Wilson Renewable Energy Limited* (“the Company”) for the quarter and nine months ended December 31, 2023, together with the notes thereon attached herewith, in which are incorporated returns from branches in Australia, Argentina, Chile, Dubai, Egypt (2 branches), Greece, Jordan (2 branches), Kenya, Mexico, Namibia, Philippines, United Kingdom, Vietnam (3 branches), Tanzania, Mali, New Zealand, Zambia and Italy (the “Statement”). This Statement is being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, as amended (“SEBI (LODR) Regulations, 2015”), initialed by us for identification.
2. This Statement, which is the responsibility of the Company’s Management, has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 18, 2024. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ‘Interim Financial Reporting (‘Ind AS 34’), prescribed under Section 133 of the Companies Act, 2013, (the “Act”) read with the relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (LODR) Regulations, 2015, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors referred to in paragraph 6(i) below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52(4) of the SEBI (LODR) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



## 5. **Emphasis of Matters**

We draw attention to:

- i) Note 6 which details the Company's exposure in respect of its investment in a wholly owned subsidiary, loans given together with accrued interest thereon and other receivables aggregating to ₹ 2,648.87 crores as at December 31, 2023. The Company is confident that these amounts are good of recoveries based on the projected cash flows of the wholly owned subsidiary expected from revenue contracts where Letters of Intent or Memorandum of Understanding have been signed, refund of encashed bank guarantees, recovery of remediation costs incurred on projects and amounts recoverable under the indemnity agreement with the Promoter Selling Shareholders.
- ii) Note 4 to the 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 ₹ 300.00 crore. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees related to liquidated damages 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 ₹ 300.00 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.

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

## 6. **Other Matters**

- i) We did not review the interim financial information of 17 branches included in the Statement, whose interim financial information reflect total revenues (before consolidation adjustments) of ₹ 28.91 crores and ₹ 132.09 crores, total net loss after tax (before consolidation adjustments) of ₹ 14.83 crores and ₹ 32.92 crores and total comprehensive loss (before consolidation adjustments) of ₹ 14.83 crores and ₹ 32.92 crores for the quarter ended December 31, 2023, and for the nine months ended December 31, 2023, respectively, as considered in the Statement.

The interim financial information of these branches has been reviewed by the branch auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors and the procedures performed by us as stated in paragraph 3 above.



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

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

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

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

Firm Regn. No.: 104607W / W100166



*Darainis Z. Fraser*

**PARTNER**

M. No.: 42454

UDIN: **24042454BKBKAT5990**

Mumbai: January 18, 2024.

**For DELOITTE HASKINS & SELLS LLP**  
**CHARTERED ACCOUNTANTS**

Firm Regn. No.: 117366W-W-100018



*Mohammed Bengali*

**PARTNER**

M. No.: 105828

UDIN: **24105828BKFIHF8130**

Mumbai: January 18, 2024.



Sterling and Wilson Renewable Energy Limited

CIN:L74999MH2017PLC292281

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

Statement of Unaudited Standalone Financial Results For The Quarter and Nine Months Ended 31 December 2023

(₹ in crore)

Sr No.	Particulars	For the quarter ended			For the nine months ended		Year ended
		31-Dec-23 (Unaudited)	30-Sep-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Mar-23 (Audited)
1	<b>Income</b>						
	Revenue from operations	540.65	642.01	292.56	1,566.53	1,299.86	1,457.91
	Other income (net)	61.59	67.82	40.29	177.71	184.71	214.26
	<b>Total Income</b>	<b>602.24</b>	<b>709.83</b>	<b>332.85</b>	<b>1,744.24</b>	<b>1,484.57</b>	<b>1,672.17</b>
2	<b>Expenses</b>						
	Cost of construction materials, stores and spare parts	352.20	458.61	114.53	1,042.24	891.51	900.54
	Changes in inventories of stock in trade	-	-	-	-	-	-
	Direct project costs	126.69	139.88	179.54	370.91	527.80	689.54
	Employee benefits expense	34.07	38.23	37.40	107.24	108.60	144.06
	Finance costs	60.89	55.25	36.60	168.26	81.84	141.10
	Depreciation and amortisation expense	2.74	2.48	2.15	6.80	5.26	6.69
	Other expenses	18.84	(2.58)	5.09	46.82	69.06	137.21
	<b>Total Expenses</b>	<b>595.43</b>	<b>691.87</b>	<b>375.31</b>	<b>1,742.27</b>	<b>1,684.07</b>	<b>2,019.14</b>
3	<b>Profit / (Loss) before tax (1 - 2)</b>	<b>6.81</b>	<b>17.96</b>	<b>(42.46)</b>	<b>1.97</b>	<b>(199.50)</b>	<b>(346.97)</b>
4	<b>Tax Expense</b>						
	- Current tax	0.52	0.98	4.60	1.50	4.82	6.00
	- Tax adjustments relating to earlier period / year	-	2.11	(2.07)	2.11	-	2.05
5	<b>Profit / (Loss) for the period / year (3 - 4)</b>	<b>6.29</b>	<b>14.87</b>	<b>(44.99)</b>	<b>(1.64)</b>	<b>(204.32)</b>	<b>(355.02)</b>
6	<b>Other comprehensive (loss) / income for the period / year</b>						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of defined benefit liability	(0.13)	(0.13)	0.15	(0.39)	0.45	(0.52)
	- Income-tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Items that will be reclassified to profit or loss						
	- Effective portion of (losses) / gain on hedging instruments in cash flow hedges	0.84	(4.13)	19.38	(2.93)	50.55	39.59
	- Effective portion of (losses) on hedging instruments in cash flow hedges reclassified to profit or loss	-	-	(3.51)	(3.06)	(7.97)	(15.50)
	- Income-tax relating to items that will be reclassified to profit or loss	-	-	-	-	(5.13)	(5.13)
	- Exchange differences in translating financial statements of foreign operations	(5.68)	(13.58)	2.37	(15.07)	(3.32)	1.01
	<b>Other comprehensive (loss) / income for the period / year (net of income-tax)</b>	<b>(4.97)</b>	<b>(17.84)</b>	<b>18.39</b>	<b>(21.45)</b>	<b>34.58</b>	<b>19.45</b>
7	<b>Total comprehensive (loss) for the period / year (5 + 6)</b>	<b>1.32</b>	<b>(2.97)</b>	<b>(26.60)</b>	<b>(23.09)</b>	<b>(169.74)</b>	<b>(335.57)</b>
8	Paid-up equity share capital (face value ₹ 1/-)	23.30	18.97	18.97	23.30	18.97	18.97
9	Other equity						1,150.01
10	Earnings per equity share (EPS) (of ₹ 1 each) (not annualised)						
	(a) Basic	0.32	0.78	(2.37)	(0.09)	(10.77)	(18.72)
	(b) Diluted (Refer note 10)	0.32	0.78	(2.37)	(0.09)	(10.77)	(18.72)
	See accompanying Notes to Unaudited Standalone Financial Results						



# STERLING & WILSON

## Sterling and Wilson Renewable Energy Limited

CIN:L74999MH2017PLC292281

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

### Unaudited Standalone Segment-Wise Revenue, Assets, Liabilities and Capital Employed For The Quarter and Nine months Ended 31 December 2023

(₹ in crore)

Particulars	For the quarter ended			For the nine months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue</b>						
EPC business	491.99	598.75	238.09	1,434.26	1,171.29	1,287.94
Operation and maintenance service	48.64	43.06	54.51	132.05	127.30	168.66
<b>Total</b>	<b>540.63</b>	<b>641.81</b>	<b>292.60</b>	<b>1,566.31</b>	<b>1,298.59</b>	<b>1,456.60</b>
Other operating income	0.02	0.20	(0.04)	0.22	1.27	1.31
<b>Revenue from operations</b>	<b>540.65</b>	<b>642.01</b>	<b>292.56</b>	<b>1,566.53</b>	<b>1,299.86</b>	<b>1,457.91</b>
<b>Segment Results</b>						
EPC business	64.02	32.35	(11.28)	140.71	(15.92)	(38.22)
Operation and maintenance service	0.65	13.70	3.51	18.88	(4.81)	(2.64)
<b>Total</b>	<b>64.67</b>	<b>46.05</b>	<b>(7.77)</b>	<b>159.59</b>	<b>(20.73)</b>	<b>(40.86)</b>
Add: Unallocable income	58.68	68.09	46.30	171.50	85.74	107.47
Less: Unallocable expenditure	(116.54)	(96.18)	(80.99)	(329.12)	(264.51)	(413.58)
<b>Total Profit / (loss) before tax</b>	<b>6.81</b>	<b>17.96</b>	<b>(42.46)</b>	<b>1.97</b>	<b>(199.50)</b>	<b>(346.97)</b>
<b>Segment Assets</b>						
EPC business	1,572.44	1,800.20	1,391.19	1,572.44	1,391.19	1,233.11
Operation and maintenance service	116.24	100.84	117.48	116.24	117.48	109.46
Unallocated	3,720.42	3,071.21	2,249.08	3,720.42	2,249.08	2,714.41
<b>Total</b>	<b>5,409.10</b>	<b>4,972.25</b>	<b>3,757.75</b>	<b>5,409.10</b>	<b>3,757.75</b>	<b>4,056.98</b>
<b>Segment Liabilities</b>						
EPC business	1,792.78	1,656.58	738.25	1,792.78	738.25	775.00
Operation and maintenance service	37.70	40.94	47.28	37.70	47.28	56.89
Unallocated	955.91	2,127.86	1,637.64	955.91	1,637.64	2,056.11
<b>Total</b>	<b>2,786.39</b>	<b>3,825.38</b>	<b>2,423.17</b>	<b>2,786.39</b>	<b>2,423.17</b>	<b>2,888.00</b>
<b>Capital Employed (Segment Assets - Segment Liabilities)</b>						
EPC business	(220.34)	143.62	652.94	(220.34)	652.94	458.11
Operation and maintenance service	78.54	59.90	70.20	78.54	70.20	52.57
Unallocated	2,764.51	943.35	611.44	2,764.51	611.44	658.30
<b>Total</b>	<b>2,622.71</b>	<b>1,146.87</b>	<b>1,334.58</b>	<b>2,622.71</b>	<b>1,334.58</b>	<b>1,168.98</b>



**Sterling and Wilson Renewable Energy Limited**

CIN:L74999MH2017PLC292281

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

**Notes to Unaudited Standalone Financial Results For The Quarter and Nine Months Ended 31 December 2023****Notes :**

- 1 These unaudited standalone financial results which are published in accordance with Regulation 33 and Regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August, 2021 ('Listing Regulations') have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 January 2024. These unaudited standalone financial results have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 These unaudited standalone financial results have been subjected to a "limited review" by the joint statutory auditors of Sterling and Wilson Renewable Energy Limited ('the Company'). The joint statutory auditors have expressed an unmodified conclusion in the review report for the quarter and nine months ended 31 December 2023.
- 3 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 Engineering, Procurement and Construction (EPC) and Operation and maintenance service based on analysis of certain performance indicators viz. Gross margin, Profit after tax, etc. Accordingly, the Company has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:
  - Engineering, Procurement and Construction business (EPC business); and
  - Operation and Maintenance service.The financial information of these segments has been provided in the unaudited standalone financials results as per Ind AS 108.
- 4 On 29 December 2021, the Company had 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 reimburse 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 crystallized 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 customer undergoing a resolution process under the supervision of the National Company Law Tribunal ("NCLT") and bank guarantees, if related to liquidated damages, 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 subsequent to 30 September 2023, raised the claim amounting to ₹ 418.13 crore to be recovered from the Promoter Selling Shareholders on the basis of crystallized items for the period ending 30 September 2023, which has been fully received by the Company.

- 5 The Company had 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 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, proceedings were initiated in the National Company Law Tribunal ("NCLT") against the Customer group and the Company issued a work suspension notice to the Customer, on account of non-receipt of 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 were discounted by the Company after confirmation both, from the Customer and their bank. However, the Customer's bank refused to honour the payment due to the Company's bank citing the NCLT proceedings and the Company had to refund the amount back to its bank.

During the year ended 31 March 2020, the Company had initiated legal proceedings before National Company Law Appellate Tribunal ("NCLAT") in respect of amount receivable under irrevocable Letters of Credit by filing an Intervention Application in the main proceedings filed by Union of India against the Customer group. Further, the Company has filed a claim before the Claim Management Advisors in respect of amount recoverable from the Customer group and the same has been admitted. The Company had also filed legal proceedings against the Developer before the NCLAT. The Company had obtained a legal opinion regarding recoverability of 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 amounts of ₹ 92.45 crore and ₹ 64.10 crore are classified under the head Trade Receivables and Other Financial Assets, respectively. The case relating to the Customer is pending before the NCLAT. In order to recover the amount receivable under the Letter of Credit i.e. ₹ 64.10 crores plus interest, the Company has lodged a Summary Suit against the Customer's Bank before the Hon'ble Bombay High Court.

During the quarter ended 30th June 2023, the case against the Developer has been dismissed by NCLAT and in the previous quarter, the Company has filed an Appeal before the Hon'ble Supreme Court of India. Vide Order dated 11th September 2023, the Hon'ble Supreme Court of India has admitted the appeal and issued Notice to the Developer. As on 31st December 2023, the next date in the matter is not yet fixed by the Hon'ble Supreme Court of India. During the year ended 31 March 2023, the Company had filed a criminal complaint against the Developer and subsequently a First Information Report ("FIR") has also been filed. The Developer has also filed a Writ Petition before the Hon'ble Bombay High Court for quashing of the said FIR and as on 31st December 2023, the said Writ Petition is pending for hearing before the Hon'ble Bombay High Court.

Both the above claims are covered under the Indemnity Agreement as referred in Note 4 above.



**Sterling and Wilson Renewable Energy Limited**

CIN:L74999MH2017PLC292281

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

**Notes to Unaudited Standalone Financial Results For The Quarter and Nine Months Ended 31 December 2023**

- 6 The Company's investment in a subsidiary and loans given, along with accrued interest thereon and other receivables aggregates to ₹ 2,648.87 crores as at 31 December 2023. These amounts are good for recovery based on the projected cash flows expected from revenue contracts where Letters of Intent or Memorandum of Understanding have been signed, refund of encashed bank guarantees, recovery of remediation costs incurred on projects and amounts recoverable under the indemnity agreement with the Promoter Selling Shareholders.
- 7 The shareholders of the Company through a postal ballot, which ended on 27 October 2023, approved raising of funds by way of issuance of equity shares or other securities through public and/ or private offerings including by way of a qualified institutional placement for an aggregate amount not exceeding ₹ 1,500 Crore.
- Accordingly, the Company launched a public offering of a qualified institutional placement for an aggregate amount of ₹ 1,500 crore which was fully subscribed. 4,32,27,665 equity shares of ₹ 1 each were issued at a premium of ₹ 346 per share on 14 December 2023. The Company utilized the proceeds to reduce debts (including all overdue debts and balance payable against encashed bank guarantees) to ₹ 528.06 crore by 31 December 2023 and further by ₹ 125.00 crore till date. The Company has thereby also remediated all applicable cross default clauses and has also further placed fixed deposits with a scheduled commercial bank amounting to ₹ 75.00 crore, earmarking the same towards repayment of loan installments upto November 2024. Balance debt post November 2024 amounting to ₹ 328.06 crore will be paid in due course in installments commencing from December 2024 upto October 2026.
- 8 The information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended is attached as per Annexure 1.
- 9 During the nine months ended 31 December 2023, the Company had received application for issue of 93,466 equity shares of ₹ 1 each fully paid-up on exercise of stock options by employees in accordance with the Employee Stock Option Plan which were allotted during the period.
- 10 The Company has incurred losses after tax for the reported periods prior to the quarter ended 30 September 2023 and accordingly, the effect of potential equity shares to be issued would be anti-dilutive in respect of those periods.
- 11 The results of the Company are available for investors at <https://www.sterlingandwilsonre.com>, [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

BY ORDER OF THE BOARD OF DIRECTORS  
Sterling and Wilson Renewable Energy LimitedKhurshed Daruvala  
Chairman  
DIN: 00216905Date : 18 January 2024  
Place : Mumbai

## Sterling and Wilson Renewable Energy Limited

CIN:L74999MH2017PLC292281

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

### Annexure 1 to the Unaudited Standalone Financial Results

Information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr.No.	Particulars	Definition of ratio	For the quarter ended			For the nine months ended		Year ended
			31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
1	Debt equity ratio (times)	Total Borrowings / Total equity	0.22	1.65	1.11	0.22	1.11	1.57
2	Debt service coverage ratio (times) (annualised)	Profit / Loss before depreciation and amortisation, Finance cost and Tax / ((Finance cost) + (Current borrowings excluding Cash credit, Working capital loan from banks and Supplier credit facilities))	0.60	0.17	(0.02)	0.52	(0.20)	(0.14)
3	Interest service coverage ratio (times)	Profit / losses before depreciation and amortisation, Finance cost and Tax/ Finance cost	1.16	1.37	(0.10)	1.05	(1.37)	(1.41)
4	Outstanding redeemable preference shares (quantity)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
5	Outstanding redeemable preference shares (value)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6	Capital redemption reserve*	Capital redemption reserve	0.00	0.00	0.00	0.00	0.00	0.00
7	Debenture redemption reserve	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
8	Net worth	Equity share capital + Retained earnings+ Securities premium	2,791.93	1,310.33	1,469.20	2,791.93	1,469.20	1,317.18
9	Net profit after tax	Profit / Loss after tax - Tax expense	6.29	14.87	(44.99)	(1.64)	(204.32)	(355.02)
10	Earnings per share (not annualised)	Profit / Loss after tax attributable to equity shareholders / Weighted average number of equity shares outstanding during the period / year (Refer note 10)						
a	Basic		0.32	0.78	(2.37)	(0.09)	(10.77)	(18.72)
b	Diluted (Refer note 10)		0.32	0.78	(2.37)	(0.09)	(10.77)	(18.72)
11	Current ratio (times)	Current assets/Current liabilities	1.98	1.17	1.61	1.98	1.61	1.61
12	Long term debt to working capital (times)	Non-current borrowings / (Current assets - Current liabilities)	0.13	-	0.35	0.13	0.35	0.53
13	Bad debts to Account receivable ratio (times)	Bad debts / Average trade receivables	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	0.00
14	Current liability ratio (times)	Current liabilities / Total liabilities	0.88	0.99	0.82	0.88	0.82	0.75
15	Total debts to Total assets (times)	(Current borrowings + Non-current borrowings) / Total assets	0.11	0.38	0.39	0.11	0.39	0.45
16	Debtors' turnover ratio (times) (annualised)	Revenue from operations / Average trade receivables	3.86	5.18	2.10	3.47	3.06	2.57
17	Inventory turnover ratio** (times)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
18	Operating margin (%)	(Profit / Loss after tax + finance cost - Interest income) / Revenue from operations	3.52%	4.53%	-9.08%	2.40%	-12.80%	-20.03%
19	Net profit margin (%)	Profit / Loss after tax / Revenue from operations	1.16%	2.80%	-15.38%	-0.10%	-15.72%	-23.80%

\*Amount less than Rs 0.01 crore

\*\*The Company is not engaged in the business of manufacturing or trading of goods and consequently this ratio is not applicable.



**TO THE BOARD OF DIRECTORS  
STERLING AND WILSON RENEWABLE ENERGY LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of *Sterling and Wilson Renewable Energy Limited* (“the Parent Company”) and its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”) for the quarter and nine months ended December 31, 2023, together with the notes thereon, (the “Statement”), attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 and Regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/ DDHS/P/CIR/2021/613 dated August 10, 2021, as amended (“SEBI (LODR) Regulations, 2015”), initialed by us for identification.
2. This Statement, which is the responsibility of the Parent Company’s Management has been reviewed by the Audit Committee and approved by the Parent Company’s Board of Directors at their respective meetings held on January 18, 2024. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting (‘Ind AS 34’), prescribed under Section 133 of the Companies Act, 2013 (the “Act”), read with the relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

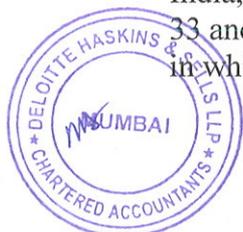
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (LODR) Regulations, 2015, to the extent applicable.



4. The Statement includes results of the following entities:

Name of the Entity	Relationship
i) Sterling and Wilson International Solar FZCO	Wholly owned subsidiary
a) Sterling and Wilson Singapore Pte. Ltd.	Wholly owned subsidiary
- Sterling and Wilson Kazakhstan LLP	Wholly owned subsidiary
b) Sterling and Wilson International LLP	Wholly owned subsidiary
c) Sterling and Wilson Solar Solutions Inc	Wholly owned subsidiary
- Sterling and Wilson Solar Solutions LLC	Wholly owned subsidiary
- Sterling and Wilson Renewable Energy Nigeria Limited (from February 9, 2023)	Wholly owned subsidiary
d) Sterling and Wilson Solar Australia Pty. Ltd.	Wholly owned subsidiary
e) GCO Solar Pty Ltd. (formerly known as GCO Electrical Pty Ltd.)	Wholly owned subsidiary
f) Sterling and Wilson Middle East Solar Energy LLC	Wholly owned subsidiary
g) Sterling and Wilson Engineering (Pty) Ltd	Subsidiary
h) Sterling and Wilson Renewable Energy Spain S.L. (formerly known as Esterlina Solar – Proyecto Diez, S.L.)	Wholly owned subsidiary
i) Sterling and Wilson Solar Spain S.L. (formerly known as Renovable Energia Contracting S.L.)	Wholly owned subsidiary
- Esterlina Solar - Proyecto Uno, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Dos, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Tres, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Cuatro, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Cinco, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Seis, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Siete, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Ocho, S.L.	Wholly owned subsidiary
- Esterlina Solar – Proyecto Nueve, S.L.	Wholly owned subsidiary
ii) Esterlina Solar Engineers Private Limited	Wholly owned subsidiary
iii) Sterling and Wilson (Thailand) Limited	Wholly owned subsidiary
iv) Sterling and Wilson Saudi Arabia Limited	Wholly owned subsidiary
v) Sterling Wilson – SPCPL – Chint Moroccan Venture	Subsidiary
vi) Sterling and Wilson Solar LLC	Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7(i) and 7(ii) below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52(4) of the SEBI (LODR) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. **Emphasis of Matters**

We draw attention to:

- i) Note 6 to the Statement 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 ₹ 300.00 crores. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees related to liquidated damages 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 ₹ 300.00 crore 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 8(a) to the Statement which describes the uncertainty related to the recoverability of remediation costs amounting to ₹ 465.45 crores (USD 56.07 million) incurred by a wholly owned subsidiary company ("WOS") of the Group in a particular geography due to delays and default by a sub-contractor. The subcontractor has filed a counter claim on a WOS of the Group for approximately ₹ 159.14 crores (USD 19.17 million). In the opinion of the Management and based on the conclusion memorandum of the external legal firm obtained, the WOS of the Group is confident of recovering the above-mentioned remediation costs and that the subcontractor's claim amounting to ₹ 159.14 crores (USD 19.17 million) is not tenable and hence not provided for.
- iii) Note 8(b) to the Statement where a WOS of the Group has incurred costs amounting to ₹ 22.00 crores (USD 2.65 million) on account of remediation costs in respect of defective parts supplied by a supplier. Management is confident of recovery of the same.
- iv) Note 9 to the Statement which describes the wrongful invocation of the bank guarantees by two customers aggregating to ₹ 390.49 crores (USD 47.04 million). The Management is confident of recovering the encashed guarantees from the customers and is of the view that the customer's claim is not tenable.

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



7. **Other Matters**

- i) We did not review the interim financial information of 17 branches of the Parent Company included in the Statement, whose interim financial information reflects total revenues (before consolidation adjustments) of ₹ 28.91 crores and ₹ 132.09 crores, total net loss after tax (before consolidation adjustments) of ₹ 14.83 crores and ₹ 32.92 crores and total comprehensive loss (before consolidation adjustments) of ₹ 14.83 crores and ₹ 32.92 crores for the quarter ended December 31, 2023, and for the nine months ended December 31, 2023, respectively as considered in the Statement.

The interim financial information of these branches has been reviewed by the branch auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors and the procedures performed by us as stated in paragraph 3 above.

- ii) We did not review the interim financial information of 8 subsidiaries included in the Statement, whose interim financial information reflects total revenues (before consolidation adjustments) of ₹ 40.30 crores and ₹ 206.67 crores, total net loss after tax (before consolidation adjustments) of ₹ 68.14 crores and ₹ 209.93 crores and total comprehensive loss (before consolidation adjustments) of ₹ 77.71 crores and ₹ 229.65 crores for the quarter ended December 31, 2023, and for nine months ended December 31, 2023, respectively, as considered in the Statement.

The interim financial information of these subsidiaries has been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

Our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches and subsidiaries located outside India is based on the report of such branch auditors and other auditors respectively and the conversion adjustments prepared by the Management of the Parent Company and reviewed by us.



- iv) The Statement includes the interim financial information of 18 subsidiaries which has not been reviewed, whose interim financial information reflects total revenues (before consolidation adjustments) of ₹ Nil and ₹ Nil, total net loss after tax (before consolidation adjustments) of ₹ 1.36 crores and ₹ 7.67 crores and total comprehensive loss (before consolidation adjustments) of ₹ 2.84 crores and total comprehensive loss of ₹ 8.62 crores for the quarter ended December 31, 2023, and for the nine months ended December 31, 2023, respectively, as considered in the Statement. These interim financial results have been furnished to us by the Management of the Parent Company and our opinion 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 interim financial results. According to the information and explanations given to us by the Management, the interim financial information of these subsidiaries is not material to the Group.

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

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS**

Firm Regn. No.: 104607W / W100166



*Darqius Z. Fraser*

**PARTNER**

M. No.: 42454

UDIN: 24042454BK BK AU 4823

Mumbai: January 18, 2024.

**For DELOITTE HASKINS & SELLS LLP  
CHARTERED ACCOUNTANTS**

Firm Regn. No.: 117366W-W-100018



*Mohammed Bengali*

**PARTNER**

M. No.: 105828

UDIN: 24105828 BK FI HG 8752

Mumbai: January 18, 2024.

**Statement Of Unaudited Consolidated Financial Results For The Quarter and Nine Months Ended 31 December 2023**

(₹ in crore)

Sr No.	Particulars	For the quarter ended			For the Nine months ended		Year ended
		31-Dec-23 (Unaudited)	30-Sep-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Mar-23 (Audited)
1	<b>Income</b>						
	Revenue from operations	582.88	759.52	406.96	1,857.36	1,926.58	2,015.01
	Other income (net)	27.43	17.21	10.69	52.03	112.93	110.86
	<b>Total Income</b>	<b>610.31</b>	<b>776.73</b>	<b>417.65</b>	<b>1,909.39</b>	<b>2,039.51</b>	<b>2,125.87</b>
2	<b>Expenses</b>						
	Cost of construction materials, stores and spare parts	355.50	467.37	151.35	1,062.77	1,202.49	1,210.50
	Changes in inventories of stock-in-trade	-	-	-	-	-	-
	Direct project costs	162.04	226.44	288.41	604.84	1,195.80	1,549.97
	Employee benefits expense	51.87	55.82	62.91	166.36	186.59	247.85
	Finance costs	67.55	64.34	37.91	193.98	85.41	144.91
	Depreciation and amortisation expense	4.49	4.29	4.11	12.19	10.87	14.70
	Other expenses	29.65	8.42	(31.90)	75.31	119.57	136.68
	<b>Total Expenses</b>	<b>671.10</b>	<b>826.68</b>	<b>512.79</b>	<b>2,115.45</b>	<b>2,800.73</b>	<b>3,304.61</b>
3	<b>(Loss) before tax (1 - 2)</b>	<b>(60.79)</b>	<b>(49.95)</b>	<b>(95.14)</b>	<b>(206.06)</b>	<b>(761.22)</b>	<b>(1,178.74)</b>
4	<b>Tax Expense</b>						
	- Current-tax	0.72	1.06	4.89	1.78	5.29	6.66
	- Tax adjustments relating to earlier period / year	-	2.00	(1.07)	2.00	(9.11)	(8.09)
	- Deferred tax charge / (credit)	0.88	1.50	0.19	2.36	(3.55)	(2.35)
5	<b>(Loss) for the period / year (3 - 4)</b>	<b>(62.39)</b>	<b>(54.51)</b>	<b>(99.15)</b>	<b>(212.20)</b>	<b>(753.85)</b>	<b>(1,174.96)</b>
6	<b>Other comprehensive (loss) / income for the period / year</b>						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of defined benefit liability	(0.14)	(0.12)	0.15	(0.39)	0.45	0.81
	- Income-tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Items that will be reclassified to profit or loss						
	- Effective portion of (losses) / gain on hedging instruments in cash flow hedges	0.84	(4.13)	19.38	(2.93)	50.55	39.56
	- Effective portion of (gain) / losses on hedging instruments in cash flow hedges reclassified to profit or loss	-	-	(3.51)	(3.06)	(7.97)	(15.50)
	- Income-tax relating to items that will be reclassified to profit or loss	-	-	-	-	(5.13)	(5.13)
	- Exchange differences in translating financial statements of foreign operations	(16.74)	(21.79)	(39.06)	(35.75)	25.46	5.74
	<b>Other comprehensive (loss) / income for the period / year (net of income-tax)</b>	<b>(16.04)</b>	<b>(26.04)</b>	<b>(23.04)</b>	<b>(42.13)</b>	<b>63.36</b>	<b>25.48</b>
7	<b>Total comprehensive (loss) for the period / year (5 + 6)</b>	<b>(78.43)</b>	<b>(80.55)</b>	<b>(122.19)</b>	<b>(254.33)</b>	<b>(690.49)</b>	<b>(1,149.48)</b>
8	<b>(Loss) / Profit for the period / year attributable to:</b>						
	- Owners of the Company	(63.67)	(54.24)	(101.24)	(213.38)	(752.10)	(1,169.55)
	- Non-controlling interests	1.28	(0.26)	2.09	1.17	(1.75)	(5.41)
9	<b>Other comprehensive (loss) / income for the period / year (net of income-tax) attributable to:</b>						
	- Owners of the Company	(15.56)	(26.24)	(21.73)	(41.80)	62.40	24.37
	- Non-controlling interests	(0.49)	0.20	(1.31)	(0.33)	0.96	1.11
10	<b>Total comprehensive (loss) / profit for the period / year attributable to:</b>						
	- Owners of the Company	(79.23)	(80.48)	(122.97)	(255.18)	(689.70)	(1,145.18)
	- Non-controlling interests	0.79	(0.06)	0.78	0.84	(0.79)	(4.30)
11	Paid-up equity share capital (face value ₹ 1/-)	23.30	18.97	18.97	23.30	18.97	18.97
12	Other equity						(244.05)
13	Earnings per equity share (EPS) (of ₹ 1 each) (not annualised)						
	(a) Basic	(3.31)	(2.86)	(5.34)	(11.09)	(39.65)	(61.65)
	(b) Diluted (Refer note 12)	(3.31)	(2.86)	(5.34)	(11.09)	(39.65)	(61.65)
	See accompanying notes to Unaudited Consolidated Financial Results						



# STERLING & WILSON

Sterling and Wilson Renewable Energy Limited

CIN:L74999MH2017PLC292281

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

## Unaudited Consolidated Segment-Wise Revenue, Assets, Liabilities And Capital Employed For The Quarter and Nine Months Ended 31 December 2023

(₹ in crore)

Particulars	For the quarter ended			For the Nine months ended		Year ended
	31-Dec-23 (Unaudited)	30-Sep-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Mar-23 (Audited)
<b>Segment Revenue</b>						
EPC business	525.37	707.71	348.09	1,700.55	1,783.92	1,823.50
Operation and maintenance service	57.49	51.61	58.91	156.56	141.05	189.86
<b>Total</b>	<b>582.86</b>	<b>759.32</b>	<b>407.00</b>	<b>1,857.11</b>	<b>1,924.97</b>	<b>2,013.36</b>
Other operating income	0.02	0.20	(0.04)	0.25	1.61	1.65
<b>Revenue from operations</b>	<b>582.88</b>	<b>759.52</b>	<b>406.96</b>	<b>1,857.36</b>	<b>1,926.58</b>	<b>2,015.01</b>
<b>Segment Results</b>						
EPC business	58.94	53.68	(32.91)	168.23	(381.33)	(677.18)
Operation and maintenance service	8.82	11.83	4.21	27.20	2.77	9.04
<b>Total</b>	<b>67.76</b>	<b>65.51</b>	<b>(28.70)</b>	<b>195.43</b>	<b>(378.56)</b>	<b>(668.14)</b>
Add: Unallocable income	24.73	17.42	6.29	46.06	13.93	16.26
Less: Unallocable expenditure	(153.28)	(132.87)	(72.73)	(447.55)	(396.59)	(526.86)
<b>Total (loss) before tax</b>	<b>(60.79)</b>	<b>(49.94)</b>	<b>(95.14)</b>	<b>(206.06)</b>	<b>(761.22)</b>	<b>(1,178.74)</b>
<b>Segment Assets</b>						
EPC business	2,834.31	2,825.20	2,410.43	2,834.31	2,410.43	2,094.02
Operation and maintenance service	118.31	107.77	119.79	118.31	119.79	123.56
Unallocated	1,267.17	1,079.95	933.29	1,267.17	933.29	972.79
<b>Total</b>	<b>4,219.79</b>	<b>4,012.92</b>	<b>3,463.51</b>	<b>4,219.79</b>	<b>3,463.51</b>	<b>3,190.37</b>
<b>Segment Liabilities</b>						
EPC business	2,324.15	2,050.94	1,508.08	2,324.15	1,508.08	1,226.20
Operation and maintenance service	41.64	44.70	49.70	41.64	49.70	60.02
Unallocated	872.09	2,332.25	1,687.76	872.09	1,687.76	2,144.45
<b>Total</b>	<b>3,237.88</b>	<b>4,427.89</b>	<b>3,245.54</b>	<b>3,237.88</b>	<b>3,245.54</b>	<b>3,430.67</b>
<b>Capital Employed (Segment Assets - Segment Liabilities)</b>						
EPC business	510.16	774.27	902.35	510.16	902.35	867.82
Operation and maintenance service	76.67	63.07	70.09	76.67	70.09	63.54
Unallocated	395.08	(1,252.31)	(754.47)	395.08	(754.47)	(1,171.66)
<b>Total</b>	<b>981.91</b>	<b>(414.97)</b>	<b>217.97</b>	<b>981.91</b>	<b>217.97</b>	<b>(240.30)</b>



**Notes to Unaudited Consolidated Financial Results For The Quarter and Nine Months Ended 31 December 2023**

**Notes :**

- 1 These unaudited consolidated financial results which are published in accordance with Regulation 33 and Regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 ('Listing Regulations'), have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 January 2024. These unaudited consolidated financial results have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 These unaudited consolidated financial results have been subjected to a "limited review" by the joint statutory auditors of the Sterling and Wilson Renewable Energy Limited ('Parent Company'). The joint statutory auditors have expressed an unmodified conclusion in the review report for the quarter and nine months ended 31 December 2023.
- 3 The Parent Company and its Subsidiaries (collectively known as 'the Group') are primarily engaged in the business of complete Turnkey solution for Engineering, Procurement, Construction, Operation and Maintenance of Renewable Energy Power projects. The Parent Company's Chief Operating Decision Maker (CODM) reviews the internal Management reports prepared based on financial information for Engineering, Procurement and Construction (EPC) business and Operation and Maintenance Service based on analysis of certain performance indicators viz. Gross margin, Profit after tax, etc.. Accordingly, the Group has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:
  - Engineering, Procurement and Construction Business ('EPC business'); and
  - Operation and Maintenance Service.
 The financial information of these segments has been provided in the consolidated financials results as per Ind AS 108.

- 4 Unaudited Standalone Financial results of Sterling and Wilson Renewable Energy Limited:

(₹ in crore)

Particulars	For the quarter ended			For the nine months ended		Year ended
	31-Dec-23 (Unaudited)	30-Sep-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Mar-23 (Audited)
Total Income	602.24	709.83	332.85	1,744.24	1,484.57	1,672.17
Profit/(Loss) before tax for the period / year	6.81	17.96	(42.46)	1.97	(199.50)	(346.97)
Profit/(Loss) for the period / year	6.29	14.87	(44.99)	(1.64)	(204.32)	(355.02)

- 5 The shareholders of the Company through a postal ballot, which ended on 27 October 2023, approved raising of funds by way of issuance of equity shares or other securities through public and/ or private offerings including by way of a qualified institutional placement for an aggregate amount not exceeding ₹ 1,500 Crore.

Accordingly, the Company launched a public offering of a qualified institutional placement for an aggregate amount of ₹ 1,500 crore which was fully subscribed. 4,32,27,665 equity shares of ₹ 1 each were issued at a premium of ₹ 346 per share on 14 December 2023. The Company utilized the proceeds to reduce debts (including all overdue debts and balance payable against encashed bank guarantees) to ₹ 528.06 crore by 31 December 2023 and further by ₹ 125.00 crore till date. The Company has thereby also remediated all applicable cross default clauses and has also further placed fixed deposits with a scheduled commercial bank amounting to ₹ 75.00 crore, earmarking the same towards repayment of loan installments upto November 2024. Balance debt post November 2024 amounting to ₹ 328.06 crore will be paid in due course in installments commencing from December 2024 upto October 2026.

- 6 On 29 December 2021, the Parent Company had 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 crystallized 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 customer undergoing a resolution process under the supervision of the National Company Law Tribunal ('NCLT') and bank guarantees, if related to liquidated damages, 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 subsequent to 30 September 2023, raised the claim amounting to ₹ 418.13 crore to be recovered from the Promoter Selling Shareholders on the basis of crystallized items for the period ending 30 September 2023, which has been fully received by the Company



**Notes to Unaudited Consolidated Financial Results For The Quarter and Nine Months Ended 31 December 2023 (Continued)**

Notes : (Continued)

- 7 The Parent Company had 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 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, proceedings were initiated in the National Company Law Tribunal ("NCLT") against the Customer group and the Parent Company issued a work suspension notice to the Customer, on account of non-receipt of 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 wherein they also assured the Parent Company that they would make the payment if the customer failed to pay. As on date, the Customer owes the 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 were discounted by the Parent Company after confirmation both, from the Customer and their bank. However, the Customer's bank refused to honour the payment due to the Parent Company's bank citing the NCLT proceedings and the Parent Company had to refund the amount back to its bank.

During the year ended 31 March 2020, the Parent Company had initiated legal proceedings before National Company Law Appellate Tribunal ("NCLAT") in respect of amount receivable under irrevocable Letters of Credit by filing an Intervention Application in the main proceedings filed by Union of India against the Customer group. Further, the Parent Company has filed a claim before the Claim Management Advisors in respect of amount recoverable from the Customer group and the same has been admitted. The Parent Company had also filed legal proceedings against the Developer before the NCLAT. The Parent Company had obtained a legal opinion regarding recoverability of 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 amounts of ₹ 92.45 crore and ₹ 64.10 crore are classified under the head Trade Receivables and Other Financial Assets, respectively. The case relating to the Customer is pending before the NCLAT. In order to recover the amount receivable under Letter of Credit i.e. ₹ 64.10 crores plus interest, the Company and the Parent Company has lodged a Summary Suit against the Customer's Bank before the Hon'ble Bombay High Court.

During the quarter ended 30th June 2023, the case against the Developer has been dismissed by NCLAT and in the previous quarter, the Parent Company has filed an Appeal before the Hon'ble Supreme Court of India. Vide Order dated 11th September 2023, the Hon'ble Supreme Court of India has admitted the appeal and issued Notice to the Developer. As on 31st December 2023, the next date in the matter is not yet fixed by the Hon'ble Supreme Court of India. Further, during the year ended 31 March 2023, the Parent Company had filed a criminal complaint against the Developer and subsequently a FiRt Information Report ("FIR") has also been filed. The Developer has also filed a Writ Petition before the Hon'ble Bombay High Court for quashing of the said FIR and as on 31st December 2023, the said Writ Petition is pending for hearing before the Hon'ble Bombay High Court.

Both the above claims are covered under the Indemnity Agreement as referred in Note 6 above.

- 8(a) During the year ended 31 March 2023, a Wholly Owned Subsidiary Company ("WOS") of the Group has terminated a contract with a major subcontractor in a particular geography for delays and default of its obligations under the contract. The WOS has filed a legal suit to claim the surety bond tendered by the subcontractor for performance of works amounting to ₹ 256.26 crore (USD 30.87 million). As at 31 March 2023, ₹ 465.45 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 ₹ 159.14 crore (USD 19.17 million) which has been refuted by the Management. During the year ended 31 March 2023, the Group had issued a bond amounting to ₹ 238.66 crore (USD 28.75 million) to the County Court in Washington for release of this lien, consequently the lien has been released. Further, the WOS has made a counter claim on the subcontractor for an amount of ₹ 802.98 crore (USD 96.73 million) (including ₹ 465.45 crore (USD 56.07 million)) for non-compliance with the contractual obligations. The ongoing arbitration in the appropriate forum is proceeding as per the agreed schedule and the final hearing is likely to be scheduled in the second quarter of 2024.

In the opinion of the Management, supported by the conclusion memorandum issued by an external legal Firm, the Group is confident of recovering the additional costs amounting to ₹ 465.45 crore (USD 56.07 million) incurred to complete the subcontractor's scope of work as at 31 December 2023, which has been recognised by the Group as recoverable from the subcontractor and subcontractor's counter claim being not tenable.

- 8(b) During the year ended 31 March 2023, a WOS Company of the Group had incurred ₹ 22.00 crore (USD 2.65 million) towards cost of remediation works due to defective parts supplied by a supplier. The WOS has made a claim amounting to ₹ 80.69 crore (USD 9.72 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 ₹ 12.78 crore (USD 1.54 million). The WOS is preparing to file a formal dispute complaint in the appropriate forum for recovery of the said amounts. The Management is confident that the amount is fully recoverable.

- 9 During the year ended 31 March 2023, two customers of a WOS in a particular geography filed claims amounting to ₹ 391.65 crore (USD 47.18 million) and ₹ 79.03 crore (USD 9.52 million) against the WOS in relation to two projects. During the quarter ended 30 June 2023, notices of invocation of two bank guarantees amounting to ₹ 202.05 crore (USD 24.34 million) and ₹ 188.44 crore (USD 22.70 million) were received from the two customers. The WOS believes that both these invocations are wrongful in nature as the projects have successfully achieved commercial operations and that it has fulfilled all its obligations under the contracts.

The WOS has filed liens amounting to ₹ 363.26 crore (USD 43.76 million) and ₹ 504.22 crore (USD 60.74 million) on project properties for recovery of amounts due and recoverable from the customers. The customers have furnished bonds equivalent to 150% of the liens and released the liens on the project properties. The WOS has filed applications for foreclosure of the liens and further is in the process of commencing federal litigation against the two customers in the appropriate Courts of Law arising from breaches of the EPC Contracts, as well as the wrongful invocation of the two bank guarantees.

In the opinion of the Management, supported by internal legal assessment, along with submissions made to the appropriate Courts, the Group is confident of recovering the wrongfully invoked Bank Guarantee amounts aggregating to ₹ 390.49 crore (USD 47.04 million), which has been recognised by the Group as recoverable from the customers. In addition, the Group is also confident on customers claims amounting to ₹ 391.65 crore (USD 47.18 million) and ₹ 79.03 crore (USD 9.52 million), being not tenable.

As of date, the Group has repaid the banks the entire Bank Guarantee amount of ₹ 390.49 crore (USD 47.04 million).



**STERLING & WILSON**



**Sterling and Wilson Renewable Energy Limited**  
CIN:L74999MH2017PLC292281

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

**Notes to Unaudited Consolidated Financial Results For The Quarter and Nine Months Ended 31 December 2023 (Continued)**

Notes : (Continued)

- 10 During the nine months ended 31 December 2023, the Company had received application for issue of 93,466 equity shares of ₹ 1 each fully paid-up on exercise of stock options by employees in accordance with the Employee Stock Option Plan which were allotted during the period.
- 11 The information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended is attached as per Annexure 1.
- 12 The Group has incurred losses after tax for each of the reported periods and accordingly, the effect of potential equity shares to be issued would be anti-dilutive in respect of those periods.
- 13 The results of the Group are available at [www.sterlingandwilsonre.com](http://www.sterlingandwilsonre.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

BY ORDER OF THE BOARD OF DIRECTORS

For Sterling and Wilson Renewable Energy Limited

Khurshed Daruvala  
Chairman

DIN: 00216905

Date : 18 January 2024

Place : Mumbai



**Annexure 1 to the Unaudited Consolidated Financial Results**

Information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr.No.	Particulars	Definition of ratio	For the quarter ended			For the six months ended		Year ended
			31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
1	Debt equity ratio (times)	Total Borrowings / Total equity	0.58	(5.45)	6.77	0.58	6.77	(8.95)
2	Debt service coverage ratio (times) (annualised)	Loss before depreciation and amortisation, Finance cost and Tax / ((Finance cost) + (Current borrowings excluding Cash credit, Working capital loan from banks and Supplier credit facilities))	0.06	0.05	(0.23)	0.00	(1.01)	(0.92)
3	Interest service coverage ratio (times)	Loss before depreciation and amortisation, Finance cost and Tax / Finance cost	0.17	0.29	(1.40)	0.00	(7.79)	(7.03)
4	Outstanding redeemable preference shares (quantity)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
5	Outstanding redeemable preference shares (value)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6	Capital redemption reserve*	Capital redemption reserve	0.00	0.00	0.00	0.00	0.00	0.00
7	Debenture redemption reserve	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
8	Net worth	Equity share capital + Retained earnings + Securities premium	1,194.08	(218.38)	396.61	1,194.08	396.61	(68.79)
9	Net profit after tax	Loss before tax - Tax expense	(62.39)	(54.49)	(99.15)	(212.21)	(753.86)	(1,174.96)
10	Earnings per share (not annualised)	Consolidated (loss) after tax attributable to equity shareholders / Weighted average number of equity shares outstanding during the period / year						
	Basic		(3.31)	(2.86)	(5.34)	(11.09)	(39.65)	(61.65)
	Diluted (Refer note 12)		(3.31)	(2.86)	(5.34)	(11.09)	(39.65)	(61.65)
11	Current ratio (times)	Current assets / current liabilities	1.37	0.87	1.16	1.37	1.16	1.10
12	Long term debt to working capital (times)	Non-current borrowings / (Current assets - Current liabilities)	0.27	(0.00)	0.93	0.27	0.93	2.56
13	Bad debts to Account receivable ratio (times) (annualised)*	Bad debts / Average trade receivables	Not applicable	Not applicable	0.02	Not applicable	0.01	0.01
14	Current liability ratio (times)	Current liabilities / Total liabilities	0.89	0.99	0.86	0.89	0.86	0.79
15	Total debts to Total assets (times)	(Current borrowings + Non-current borrowings) / Total assets	0.13	0.54	0.48	0.13	0.48	0.63
16	Debtors' turnover ratio (times) (annualised)	Revenue from operations / Average trade receivables	2.82	4.11	3.74	2.99	3.34	2.56
17	Inventory turnover ratio** (times)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
18	Operating margin (%)	(Loss before tax +.finance cost - Interest income) / Revenue from operations	0.96%	1.81%	-14.25%	-0.95%	-35.19%	-51.52%
19	Net profit margin (%)	Net loss after tax / Revenue from operations	-10.70%	-7.17%	-24.36%	-11.43%	-39.13%	-58.31%

\*Amount less than Rs 0.01 crore

\*\*The Group is not engaged in the business of manufacturing or trading of goods and consequently this ratio is not applicable.

