

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STERLING AND WILSON PRIVATE LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of **STERLING AND WILSON PRIVATE LIMITED** (hereinafter referred to as the "Holding Company"), its subsidiaries and partnership firm (Holding Company, its subsidiaries and partnership firm together referred to as "the Group") and its associate and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the branch auditors of the Group's branches located at Rwanda, Tanzania, Egypt and United Kingdom (hereinafter referred to as "the consolidated Ind AS financial statements").

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 the other auditors on separate/consolidated financial statements of such branches, subsidiaries, partnership firms, associate, and joint ventures referred to in the "Other Matters" paragraph below, the aforesaid consolidated Ind AS 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 except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph below in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at March 31, 2022, of its consolidated total comprehensive loss (including consolidated other comprehensive loss), consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Basis for Qualified Opinion

- i. We draw attention to the qualification to the audit opinion on the consolidated financial statements of Sterling and Wilson International FZE, a wholly-owned subsidiary of the Holding Company, issued by the auditors vide their audit report dated May 11, 2023, which is as under:

The consolidated financial statements of the overseas wholly-owned subsidiary includes trade receivables balance as at the March 31, 2022 of AED 246,905,187 (equivalent to Rs. 508.11 crores) [March 31, 2021: AED 371, 254,428 (equivalent to Rs. 740.84 crores)] which is overdue in respect of supply of goods for power projects in India. The Group did not carry out an impairment assessment for the aforesaid trade accounts receivable that are subject to the expected credit loss model in accordance with relevant applicable accounting standards. In the absence of such impairment assessment, we are unable to determine the carrying value of these financial assets as at the balance sheet date and the corresponding effect on the consolidated Statement of Profit and Loss for the amount of expected credit losses that should have been recognised for the year ended March 31, 2022.

- ii. We also draw attention to the qualification to the audit opinion on the financial statements of Sterling and Wilson Middle East W.L.L, a subsidiary of the Holding Company, issued by the auditors vide their audit report dated July 17, 2022, which is as under:

Related party balances included in trade receivable amounting to QAR 24,522,568 (equivalent to Rs. 50.19 crores) [March 31, 2021: QAR 18,440,743 (equivalent to Rs. 37.13 crores)] has not been confirmed as at the balance sheet date. Moreover, the Group has not produced any evidence for conducting assessment of expected credit loss on the aforesaid trade receivables in accordance with the relevant applicable accounting standards. There were no practicable alternative auditing procedures that the auditors could use to confirm the recoverability of the said amount.

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- iii. We also draw attention to the qualification to the audit opinion on the consolidated financial statements of Sterling and Wilson Co-Gen Solutions Private Limited, a wholly-owned subsidiary of the Holding Company, issued by us vide our audit report dated September 27, 2022, which is as under:

As on March 31, 2022, the total exposure of Sterling and Wilson Co-Gen Solutions Private Limited towards Sterling and Wilson Power Solution LLC (SWPSLLC), an associate of Sterling and Wilson Co-Gen Solutions Private Limited, aggregates Rs. 11.66 crores (March 31, 2021: Rs. 11.32 crores), comprising of loans including interest without modifying their audit opinion, have stated that there is a material uncertainty related to going concern, since the networth of SWPSLLC is completely eroded. These conditions or events indicate that a material uncertainty exists that may cast significant doubt on the associate's ability to continue as a going concern. Sterling and Wilson Co-Gen Solutions Private Limited did not carry out an impairment assessment in accordance with applicable accounting standards for the aforesaid exposures that are subject to expected credit loss model. In the absence of such impairment assessment, we are unable to determine the carrying value of these financial assets as at the balance sheet date and the corresponding effect on the total comprehensive income for the year ended March 31, 2022.

- iv. We also draw attention to the qualification to the audit opinion on the consolidated financial statements of Sterling and Wilson Middle East Electromechanical LLC, a wholly-owned subsidiary of the Holding Company issued by the auditors vide their audit report dated May 12, 2023, which is as under:

- a) Dues from related parties as at March 31, 2022 include an amount of AED 14,027,715 (equivalent to Rs. 28.87 crores) [March 31, 2021: AED 15,152,463 (equivalent to Rs. 30.24 crores)], which does not agree with the confirmation received from a related party. Consequently, due from related party is overstated by up to AED 10,245,101 (equivalent to Rs. 21.08 crores) [March 31, 2021: AED 8,174,793 (equivalent to Rs. 16.31 crores)]. Had the Group recorded the amount due from related party correctly, its consolidated loss for the year would have been increased by AED 10,245,101 (equivalent to Rs.21.08 crores) [March 31, 2021: AED 8,174,793 (equivalent to Rs. 16.31 crores)] and its consolidated accumulated losses would have increased by AED 10,245,101 (equivalent to Rs. 21.08 crores) [March 31, 2021: AED 8,174,793 (equivalent to Rs. 16.31 crores)].
- b) Other receivables as at March 31, 2022 include an amount of AED 12,126,456 (equivalent to Rs. 24.96 crores) [March 31, 2021: AED 12,136,624 (equivalent to Rs. 24.22 crores)] which represents performance guarantee encashed by a customer on termination of the contract. The auditors were not able to satisfy themselves that the Group will be able to recover this amount from the customer. Consequently, they were unable to determine whether any adjustments to this amount were necessary.

We conducted our audit of the consolidated Ind AS 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, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors and other auditors in terms of their reports and unaudited financial information provided by Management of the Holding Company, referred to in the sub-paragraphs (a), (b) and (c) respectively of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

Material Uncertainty Related to Going Concern

We draw attention to note 67 of the consolidated Ind AS financial statements regarding Sterling and Wilson Co-Gen Solutions Private Limited, a wholly-owned subsidiary company, whose accumulated losses are in excess of the paid-up capital and other reserves as at the balance sheet date and the working capital has turned negative. However, the consolidated financial statements of the wholly-owned subsidiary company have been prepared on a going concern basis considering the fact, that in order to support the continuance of its operations, the Holding Company has confirmed, through a support letter, its intention to continue the operations and provide sufficient funds as may be necessary to meet liabilities as they fall due for the foreseeable future.

Our Opinion and Report on Other Legal and Regulatory Requirements are not modified in respect of the above



Emphasis of Matter

- a) We draw attention to note 61 of the consolidated Ind AS financial statements regarding recoverability of trade receivables, unbilled receivables and advance for projects aggregating to Rs. 858.05 crore as at March 31, 2022 (March 31, 2021: 848.95 crore) which includes contractual dues in the books of the Holding Company aggregating to Rs. 94.04 crores (March 31, 2021: 105.20 crores) from Sky Power Group (Developers) in respect of two states namely, Telangana and Madhya Pradesh which were under disputes with the Developers (seven Special Purpose Vehicle (SPV) owned by Sky Power Group). Out of the seven projects, pursuant to negotiations/discussion, disputes for four projects have been resolved and settled prior to March 2021. For the two projects the Delhi High Court had directed Sky Power Group (Developers) to furnish Bank Guarantees equivalent to 50% of the total receivables towards the aforesaid two projects. The developers have sought extensions which Delhi High Court has granted.

With regard to one project, the dispute is between Sky Power Group and Madhya Pradesh Power Management Company Limited, which was sub-judice and was pending with Supreme Court. The Supreme Court vide its order dated November 16, 2022, rejected the appeal filed by the Madhya Pradesh Power Management Company Limited, inter-alia upheld the order of PPA restoration passed by High Court in India.

Based on discussions with the Developers, Company's Legal Counsel, favorable order passed by Delhi High Court and Supreme Court verdict, the Management believes that outstanding amount is good and recoverable and that no adjustments/impairments are required to be made in the consolidated Ind AS financial statements towards the total outstanding receivables as on the balance sheet date.

- b) We draw attention to the Emphasis of Matter to the audit opinion on the consolidated financial statements of Sterling and Wilson International FZE, a wholly-owned subsidiary of the Holding Company, issued by the auditors vide their audit report dated May 11, 2023, which is also furnished in note 58 to the consolidated Ind AS financial statements of the Group.

The note states that the Group has acquired controlling interests in one of the subsidiary company with effect from May 13, 2021 ('the acquisition date'). However, in absence of audited financial statements of the subsidiary as at the acquisition date, the Group management has recognised and measured the identifiable net liabilities acquired of AED 64,235,429 (equivalent to Rs.132.19 crores), goodwill acquired in the business combination of AED 56,117,959 (equivalent to Rs. 115.49 crores) and non-controlling interest in the subsidiary of AED 13,547,151 (equivalent to Rs. 27.88 crores) based on the latest available audited financial statements as at April 1, 2021 without considering the adjustments for the period from April 1, 2021 to May 13, 2021. In the absence of audited financial statements of the subsidiary as at the acquisition date the auditors were unable to determine the adjustments if any that may be required to these values as at acquisition date.

- c) We draw attention to note 62(c) of the standalone Ind AS financial statements regarding the filing of application of the Scheme of Arrangement (" Scheme") before the National Company Law Tribunal (NCLT) , Mumbai Bench, on August 30, 2022, for the reduction of share capital and reorganization of reserves of the Holding Company and the merger of Sterling and Wilson Middle East Electromechanical LLC, wholly- owned subsidiary company (" Transferor Company/ SW MELLC") , a foreign Limited Liability Company incorporated in the Emirate of Dubai into the Holding Company. The Appointed Date envisaged in the Scheme of Arrangement is March 31, 2022.

The above Scheme of Arrangement has been sanctioned by NCLT vide their Order dated 26 June 2023. As on the date of approval of these consolidated Ind AS financial statements by the Board of Directors, the Holding Company is yet to receive the sanctioned NCLT order and accordingly file the certified copy of the NCLT Order with the Registrar of Companies and the Scheme shall become effective consequent upon such filings.

As the Scheme is not effective as on the date of approval of these consolidated Ind AS financial statements by the Board of Directors, the Scheme has not been given effect to in this consolidated Ind AS financial statements.

Our opinion and our Report on Other Legal and Regulatory Requirements are not modified in respect of the above matters.



Information Other than the consolidated Ind AS financial statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprise the information included in the Director's report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The other information as specified above is expected to be made available to us after the date of this report.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information as specified above, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and Board of Directors' Partners' Responsibilities for the consolidated Ind AS financial statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated Ind AS 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 including its associate and joint ventures in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act.

The respective Management and Board of Directors of the companies/Partners of Partnership Firms included in the Group, its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint ventures 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 consolidated Ind AS 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 Ind AS financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Management and Board of Directors/Partners of Partnership Firms included in the Group, its associate and joint ventures are responsible for assessing the ability of each Company/Partnership firm/Associate/Joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors/Partners either intends to liquidate the Company/Partnership Firm/Associate/Joint Venture or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Partnership Firms included in the Group, of its associate and its joint ventures are also responsible for overseeing the financial reporting process of each Company/Partnership firm/Associate/Joint venture.

Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

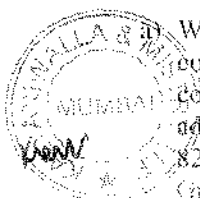
- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The 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 Act, we are also responsible for expressing our opinion on the internal financial controls with reference to consolidated Ind AS financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management's and Board of Directors/ Partners, 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 Group, its associate and joint ventures 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 each Group, its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 Group, its associate and joint ventures to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of the consolidated Ind AS financial statements of which we are the independent auditors. For the other branches of holding Company, subsidiaries, partnership firms, associates and joint ventures included in the consolidated Ind AS financial statements, which have been audited by the branch auditors and other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in paragraph (a) and (b) of the "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS 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.

Other Matters

We did not audit the financial statements of eleven subsidiaries (including partnership firm) included in the consolidated Ind AS financial statements, whose financial statements reflect the total assets (before consolidation adjustments) of Rs. 2,316.51 crore as at March 31, 2022, total revenues (before consolidation adjustments) of Rs.878.67 crore and net cash outflows (before consolidated adjustments) amounting to Rs. 82.36 crore for the year ended on that date. The consolidated Ind AS financial statements also include the Group's share of profit (and other comprehensive income) of Rs. 18.73 crore in respect of an associate whose



financials have not been audited by us. The consolidated Ind AS financial statements also include the group's share of net loss (and other comprehensive income) of Rs.0.34 crore for the year ended March 31, 2022 in respect of three joint ventures whose financial statements have not been audited by us. These financial statements have been audited by other auditors and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries/partnership firms, associate and joint ventures and our report in terms of sub-section (3) of section 143 of the Act, insofar as it relates to the aforesaid subsidiaries/partnership firms, associate and joint ventures is based solely on the audit reports of the other auditors.

Out these eleven subsidiaries, ten subsidiaries, an associate and two joint ventures are located outside India, whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

We have audited these conversion adjustments referred to in para (a) above, made by the Holding Company's management. Our opinion in so far as it related to the balances and affairs of such subsidiaries, associate and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

- b) We did not audit the financial information of four branches included in the consolidated Ind AS financial statements of the Group whose standalone financial information reflect total assets of Rs.238.91 crore as at March 31, 2022, the total revenue of Rs. 87.14 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. 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 amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

These branches are located outside India whose financial and other information have been prepared in accordance accounting principles generally accepted in their respective countries and which have been audited by branch auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial information of such branches located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

We have audited these conversion adjustments referred to in para (b) above. Our opinion in so far as it relates to the balances and affairs of such branches located outside India is solely based on the report of branch auditors and the conversion adjustments prepared by the Holding Company and audited by us.

- c) The financial statements of two subsidiaries whose financial statements reflect the total assets (before consolidation adjustments) of Rs. 1.51 crore as at March 31, 2022, total revenues (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) of Rs. 0.58 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements have not been audited by us or by other auditors. This unaudited financial statements have been furnished to us by the Management of the Holding Company and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, the financial statements of these two subsidiaries are not material to the Group.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.



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 of Section 143 (11) of the Act, 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. (A) As required by section 143 (3) of the Act based on our audit and on the consideration of the reports of branch auditors and other auditors on separate/consolidated financial statements and the other separate financial information of the branches, subsidiaries/partnership firms, associate and joint ventures, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a) Except for the matters described in the Basis of Qualified Opinion section, 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 Ind AS financial statements.
 - b) Except for the matters described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the branch auditors and other auditors.
 - c) The audit report on the accounts of one of the branch offices of the Group audited under Section 143(8) of the Act have not been addressed to us by the branch auditors of the above referred branch, as required pursuant to the provisions of Section 143(8) read with sub-rule (2) of Rule 12 of the Companies (Audit and Auditors) Rules, 2014. The said report on accounts have been addressed to the management of the branch and the same have been provided to us by the Group, which we have considered in the preparing this report.
 - d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - e) In our opinion, except for the matters described in the Basis for Qualified Opinion section, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards as specified under section 133 of the Act, read with relevant rules issued thereunder.
 - f) The matters described in the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Group.
 - g) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and reports of the subsidiaries incorporated in India none of them is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - h) With respect to the adequacy of internal financial controls with reference to financial statements of the Group incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses a qualified opinion on the operating effectiveness of internal financial controls with reference to financial statements of those companies, for the reasons stated therein.
 - 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, the Holding Company and its subsidiaries incorporated in India, being private limited companies, section 197 of the Act relating to managerial remuneration is not applicable.
 - 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the branch auditors and other auditors on the separate/consolidated financial statements,



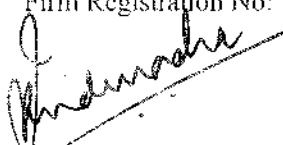
as also the other financial information of the branches, subsidiaries, associate and joint ventures as noted in the "Other Matters" paragraph:

- a) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures – Refer note 43 of the consolidated Ind AS financial statements.
- b) The Group, its associate and joint ventures have made provisions, as required under applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts – refer note 30 to the consolidated Ind AS financial statements. The Group, its associate and joint ventures did not have any material foreseeable losses on derivative contracts.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Holding Company and its subsidiaries incorporated in India.
- d) (i) The Management has represented that, to the best of its knowledge and belief, except as stated in note 64(c) to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiaries, associate and joint ventures incorporated in India to or in any other person(s)/ 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;

(ii) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiaries, associate and joint ventures incorporated in India from any person(s) / entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries, associates and joint ventures incorporated in India 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; and

(iii) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us based on the consideration of the report of the branch auditors and other auditors on the separate/consolidated financial statements, 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 d(i) and d(ii) above, contain any material misstatement.
- e) The Holding Company and its subsidiaries, associate, and joint venture incorporated in India neither declared nor paid any dividend during the year.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W / W100166


Anshud K. Udawadia

Partner

Membership No: 124658

UDIN: 23024658 00KLN16531

Mumbai,

June 30, 2023



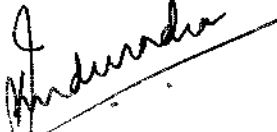
Annexure "A" to the Independent Auditors' Report

Referred to in Paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's Report of even date to the Members of the Holding Company on the consolidated financial statements for the year ended March 31, 2022, we report that:

(xxi) In our opinion and according to the information and explanations given to us, the following companies incorporated in India and included in the consolidated Ind AS financial statements, have unfavorable remarks, qualifications, or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr No	Name	CIN	Holding Company / Subsidiary / Associate / Joint Venture	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Sterling and Wilson Private Limited	U31200MH1974PTC017538	Holding Company	Paragraph 3 clause (ii) (a) Paragraph 3 clause (iii) (c) Paragraph 3 clause (iii) (d) Paragraph 3 clause (vii) (a) Paragraph 3 clause (xvii)
2	Sterling and Wilson Security Systems Private Limited	U31908MH2012PTC233374	Subsidiary Company	Paragraph 3 clause (xix)

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W / W100166


Anshud K. Udawadia
Partner



Membership No: 124658
UDIN: 23124658 B01X LNT6631
Mumbai,
June 30, 2023

Annexure "B" to the Independent Auditors' Report

Report on the Internal Financial Controls with reference to the aforesaid consolidated Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

Referred to in paragraph (h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In conjunction with our audit of the consolidated Ind AS financial statements of Sterling and Wilson Private Limited ("the Holding Company") and its subsidiaries, its associates and its joint ventures as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and have consolidated the reporting on internal financial controls with reference to financial statements of its subsidiaries, associates and joint venture companies incorporated in India, which have been furnished to us by the Management for our reporting on consolidated Ind AS financial statements as of that date.

Management's Responsibility for Internal Financial Controls

The respective company's Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated Ind AS financial statements based on the criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 the Company's business, including adherence to the respective Company's policies, the safeguarding of the Company's 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 Ind AS financial statements of the Holding Company and its subsidiaries which are companies incorporated in India, as aforesaid based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 consolidated Ind AS financial statements were 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 Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 auditor and the other auditors in terms of their reports 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 financial statements of the Holding Company and its subsidiaries, incorporated in India as aforesaid.

Meaning of Internal Financial Controls with reference to consolidated Ind AS financial statements.

A Company's internal financial controls with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A



Company's internal financial controls with reference to consolidated Ind AS 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 Company; (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 Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 consolidated Ind AS financial statements.

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

In our opinion, except for the possible effect of the material weaknesses described in the 'Basis for Qualified Opinion' paragraph below, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding company, its subsidiaries, and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial Statements were operating effectively as at March 31, 2022, based on the criteria for internal financial controls over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls over Financial Reporting' issued by ICAI.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit procedures, the following material weaknesses have been identified in the operating effectiveness of the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements as at March 31, 2022:

- a) The Holding Company's overall documentation on intercompany transactions, process of obtaining confirmations and the Financial Closing Reporting Process needs substantial improvement in terms of reviews and maker/checker process.
- b) System generated Report such as 'ZCUSAGE' and ZDSTMT' report which gives the information regarding outstanding trade receivables, advance from customers, total billings, advance received and unbilled listing, needs review and examination by management to ensure completeness and correctness of information contained in those reports for the purpose of financial reporting.

We have been informed the Holding Company is taking steps to improve these processes and strengthening the monitoring controls.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated Ind AS financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

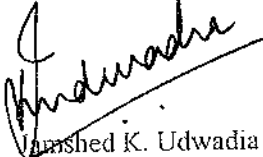
We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit procedures performed in our audit of March 31, 2022 on the consolidated Ind AS financial statements of the Group and these material weakness does not affect our opinion on the consolidated Ind AS financial statements.



Other Matter

We did not audit the internal financial controls with reference to financial information of the branch at United Kingdom and one Jointly Controlled Company, which is incorporated in India. The internal financial controls with reference to financial statements of United Kingdom branch and Jointly Controlled Company have been audited by branch auditor and other auditor 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 statements included in respect of this branch and jointly controlled company, is based solely on the report of such branch auditor and other auditor. Our opinion is not modified in respect of the above matter.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No: 104607W / W100166


Jyotsna K. Udawadia

Partner

Membership No: 124658

UDIN: 23124658 BGLNT6631

Mumbai,

June 30, 2023



Sterling and Wilson Private Limited

Consolidated Balance sheet

as at 31 March 2022

(Currency : Indian rupees in crores)

	Note	31 March 2022	31 March 2021
Assets			
1 Non-current assets			
(a) Property, plant and equipment	4	144.33	185.75
(b) Capital work-in-progress	4	-	0.32
(c) Right-of-use assets	4.1	31.72	5.74
(d) Goodwill on consolidation	5	82.61	11.33
(e) Other intangible assets	5	3.74	2.86
(f) Investments accounted for using equity method	6	19.46	15.05
(g) Financial assets			
(i) Investments	7	77.19	70.37
(ii) Loans	8	60.56	102.46
(iii) Other financial assets	9	13.96	17.51
(h) Deferred tax assets (net)	10	49.34	78.88
(i) Non-current tax assets (net)	11	66.41	37.15
(j) Other non-current assets	12	10.73	6.30
Total non-current assets		560.05	533.72
2 Current assets			
(a) Inventories	13	37.50	78.92
(b) Financial assets			
(i) Investments	14	0.76	0.68
(ii) Trade receivables	15	2,421.65	2,634.46
(iii) Cash and cash equivalents	16	112.58	85.70
(iv) Bank balances other than cash and cash equivalents	17	51.01	48.03
(v) Loans	18	189.39	172.75
(vi) Other financial assets	19	63.40	96.50
(c) Current tax assets (net)	20	18.77	14.93
(d) Other current assets	21	1,264.22	1,380.12
Total current assets		4,159.28	4,512.09
Assets held for sale	22	9.39	-
Total assets		4,728.72	5,045.81
Equity and liabilities			
Equity			
(a) Equity share capital	23	29.37	29.37
(b) Compulsorily convertible non-cumulative preference shares	23	1,802.50	1,802.50
		1,831.87	1,831.87
(c) Other equity	24		
- Capital redemption reserve		50.00	50.00
- Securities premium account		561.45	561.45
- General reserve		13.39	13.39
- Legal reserve		1.12	1.11
- Retained earnings		(2,465.82)	(1,876.84)
- Others (including items of other comprehensive income)		(101.87)	(35.17)
Loan towards equity		-	2.37
Total equity attributable to owners of the Company (a + b + c)		(109.86)	548.18
Perpetual Loan	24	958.21	-
Non-controlling interest	24	(20.31)	0.07
Total equity		828.04	548.25



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Sterling and Wilson Private Limited

Consolidated Balance sheet

as at 31 March 2022

(Currency : Indian rupees in crores)

	Note	31 March 2022	31 March 2021
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	790.43	14.97
(ii) Lease liabilities	4.1	24.90	3.47
(b) Provisions	26	70.44	29.63
(c) Deferred tax liabilities (net)	10.1	0.11	0.13
Total non-current liabilities		885.88	48.20
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	27	830.63	1,763.54
(ii) Lease liabilities	4.1	8.89	2.83
(iii) Trade payables	28		
- Total outstanding dues of micro enterprises and small enterprises		26.58	115.47
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,287.45	1,519.08
(iv) Other financial liabilities	29	191.17	219.11
(b) Other current liabilities	30	616.32	762.30
(c) Provisions	31	46.33	59.75
(d) Current tax liabilities (net)	32	7.43	7.28
Total current liabilities		3,014.80	4,449.36
Total liabilities		3,900.68	4,497.56
Total equity and liabilities		4,728.72	5,045.81

Significant accounting policies

Notes to the consolidated financial statements

The attached notes are an integral part of these consolidated financial statements.

As per our report of even date.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm's Registration No: 104607W/W100166

Khurshed K. Udawadia

Partner

Membership No: 124658

Mumbai, India

30 June 2023



For and on behalf of the Board of Directors of

Sterling and Wilson Private Limited

CIN:U31200MH1974PTC017538

Khurshed Daruvata

Director

DIN: 00216905

Spielberg, Austria

30 June 2023

Zarine Daruvata

Managing Director

DIN: 00190585

Mumbai, India

Parameshwar Hegde

Chief Financial Officer

Membership No: 203490

Mumbai, India

30 June 2023

K. P. Hariharan

Company Secretary

Membership No: A 5165

Mumbai, India

Sterling and Wilson Private Limited

Consolidated statement of profit and loss

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Continuing operations			
Income			
Revenue from operations	33	2,592.19	2,667.18
Other income	34	264.25	72.43
Total income		2,856.44	2,739.61
Expenses			
Cost of construction materials, stores and spare parts	35	1,416.79	1,665.97
Purchase of traded goods	36	-	0.23
Changes in inventories of stock-in-trade	37	27.44	(20.60)
Direct project costs	38	1,190.32	1,033.10
Employee benefits expense	39	249.74	248.24
Finance costs	40	131.27	262.28
Depreciation and amortisation expense	41	32.17	40.85
Other expenses	42	314.50	476.25
Total expenses		3,362.23	3,706.32
Consolidated (loss) before share in (loss) of joint ventures and associates and income tax		(505.79)	(966.71)
Share in profit / (loss) of joint ventures and associates (net of income tax)	52 & 53	18.21	(16.51)
Consolidated (loss) before income tax for the year		(487.58)	(983.22)
Tax expense:	55		
Current tax		2.27	1.86
Provision for earlier years		(0.05)	(0.02)
Deferred tax charge / (credit)		75.67	49.26
		77.89	51.10
Consolidated (loss) for the year		(565.47)	(1,034.32)
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurements of defined benefit liability		2.23	0.82
(ii) Share of other comprehensive income in joint venture, to the extent not to be reclassified to profit or loss		0.01	(0.19)
(iii) Income tax relating to items that will not be reclassified to profit or loss		(0.12)	(0.03)
Items that will be reclassified to profit or loss			
(i) Exchange differences in translating financial statements of foreign operations		(70.33)	38.12
(ii) Effective portion of gain / (losses) on hedging instruments in cash flow hedges		1.34	-
(iii) Share of other comprehensive income in joint venture, to the extent to be reclassified to profit or loss		0.17	0.18
(iv) Income tax relating to items that will be reclassified to profit or loss		0.19	-
Other comprehensive (loss) / income for the year, net of income tax		(66.51)	38.90
Total comprehensive (loss) for the year		(631.98)	(995.42)
Consolidated (loss) attributable to:			
Owners of the Company		(559.59)	(1,030.67)
Non-controlling interests		(5.88)	(3.65)
Consolidated (loss) for the year		(565.47)	(1,034.32)
Other comprehensive (loss) / income attributable to:			
Owners of the Company		(66.46)	39.21
Non-controlling interests		(0.05)	(0.32)
Other comprehensive (loss) / income for the year		(66.51)	38.89



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Sterling and Wilson Private Limited

Consolidated statement of profit and loss

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Total comprehensive (loss) attributable to:			
Owners of the Company		(626.05)	(991.46)
Non-controlling interests		(5.94)	(3.97)
Total comprehensive (loss) for the year		<u>(631.99)</u>	<u>(995.43)</u>

Earnings per equity share from continuing operations attributable to equity holders of the parent (nominal value of Rs 10 each)

Basic and diluted earnings per share (Rs)	49	<u>(53.56)</u>	<u>(107.87)</u>
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Significant accounting policies

Notes to the consolidated financial statements

The attached notes are an integral part of these consolidated financial statements.

As per our report of even date.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm's Registration No. 104607W/W100166

Khurshed K. Udvardia

Partner

Membership No: 124658

Mumbai, India

30 June 2023



For and on behalf of the Board of Directors of

Sterling and Wilson Private Limited

CIN:U31200MH1974PTC017538

Khurshed Daruvala

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DIN: 00216905

Spielberg, Austria

30 June 2023

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Chief Financial Officer

Membership No: 203490

Mumbai, India

30 June 2023

K. P. Hariharan

Company Secretary

Membership No: A 5165

Mumbai, India

Sterling and Wilson Private Limited

Consolidated statement of cash flow

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(487.58)	(983.22)
<i>Adjustments for :</i>		
Depreciation and amortisation expense	32.17	40.85
Property, plant and equipment written off	6.40	-
Impairment of Goodwill and Other intangible assets	72.19	-
Finance cost	131.27	262.28
Gain on previously held equity interest in subsidiary (refer note 59)	(10.83)	-
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	1.01	-
Share in (profit) /loss of joint ventures and associate	(18.38)	16.51
Gain on sale of subsidiary (net)	(1.56)	-
Supplier balances written back	(11.41)	(16.45)
Financial assets measured at FVTPL	(6.90)	2.18
Unrealised foreign exchange loss (net)	4.82	-
Provision for bad and doubtful debts, loans and advances (net)	85.15	155.32
Bad debts written off	39.02	19.07
Provision for foreseeable losses (net)	8.60	(5.50)
Provision for Liquidated damages (net)	1.04	7.06
Provision for doubtful advances to supplier of goods	0.91	-
Provision for Contingencies	23.46	-
Provision for Warranty	9.40	-
Write back of advances received	(71.42)	-
Write back of provision for bad and doubtful debts (net)	(19.71)	(1.26)
Write back of provision no longer required	(15.05)	(1.52)
Interest income from bank deposits, related parties, third parties	(12.95)	(27.94)
Dividend income	(2.00)	-
Loss on disposal of Investment	-	(1.66)
Gain on modification	-	(0.34)
Interest accrued on receivables written off	-	133.22
Writedown of contracts assets	-	18.40
(Profit) / Loss on sale of Property, Plant & Equipments (net)	0.36	(0.78)
Operating profit / (loss) before working capital changes	(241.99)	(383.78)
<i>Working capital adjustments</i>		
Decrease / (Increase) in Inventories	42.92	(10.82)
(Increase) / Decrease in Trade receivables	223.44	590.76
(Increase) / Decrease in other current and non-current financial and other assets	152.24	263.89
(Decrease) / Increase in trade payable, other financial liabilities, other current liabilities and provisions	(700.29)	(151.62)
Net change in working capital	(281.69)	692.21
Cash flows (used in) operating activities	(523.69)	308.43
Income tax paid (net)	(35.18)	93.14
Effects of exchange differences on translation of assets and liabilities	(51.64)	38.34
Net cash flows (used in) operating activities (A)	(610.51)	439.91



7/2

Sterling and Wilson Private Limited

Consolidated statement of cash flow

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(3.54)	(18.90)
Proceeds from sale of Property, plant and equipment and intangible assets	11.55	15.69
Interest income from bank deposits, related parties, third parties	12.95	27.94
Sale of investment in equity instruments	0.01	2.58
Purchase of investment in equity accounted investees	(4.27)	-
Acquisition of non controlling interest (refer note 59)	(0.01)	-
(Purchase) / receipt of fixed deposits, net	1.45	14.75
Consideration received on disposal of Subsidiary	0.01	-
Loan (given to) / repaid by related parties and third parties (net)	24.74	6.53
Dividend income	2.00	-
Net cash flows (used in) investing activities (B)	44.89	48.59
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of compulsorily convertible preference shares	-	300.00
Advance received against equity	-	2.37
Interest expense paid	(60.31)	(257.70)
Proceeds from borrowings (secured and unsecured)	3,028.73	-
Repayment of borrowings (secured and unsecured)	(2,436.06)	(417.36)
(Repayment of) / Proceeds from Cash credit loan from banks (net)	9.48	10.84
Repayment of trust receipts	-	(10.94)
Payment of Lease liabilities (including interest expense)	(13.68)	(17.27)
Non convertible Debentures obtained	-	(160.00)
Proceeds of bank overdraft	(0.05)	1.66
Net cash flows generated from financing activities (C)	528.11	(548.40)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(37.50)	(59.90)
Cash and cash equivalents at the beginning of the year	85.70	145.60
Cash and cash equivalents acquired pursuant to the acquisition of subsidiary	63.54	-
Cash and cash equivalents held pursuant to the disposal of subsidiary	(0.02)	-
Effect of movement in exchange rates on cash and cash equivalent	0.87	-
Cash and cash equivalents at the end of the year	112.58	85.70



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Sterling and Wilson Private Limited

Consolidated statement of cash flow

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

31 March 2022

31 March 2021

Notes to Consolidated Statement of cash flows

1 The Statement of Cash flows has been prepared under the indirect method as set out in Indian Accounting Standard - 7 (Ind AS 7) on Statement of Cash Flows.

2 Cash and cash equivalents comprises

Balances with Bank

- in current accounts

Cheques, drafts on hand

Cash on hand

110.82

85.06

0.08

0.14

1.68

0.50

112.58

85.70

3 Changes in liabilities arising from financing activity, including both changes arising from cash flows and non-cash changes:

A. Long term borrowings and Short term borrowings

Long term and short term borrowings as at beginning of the year

1,778.51

2345.76

Net cash flows

602.15

(566.89)

Non-cash transactions:

On Acquisition of subsidiary (refer note 59)

112.44

-

Transfer of perpetual loan from borrowings to other equity

(958.21)

-

Interest accrued

49.81

-

Other non-cash movements

12.13

-

Foreign currency translation

24.24

(0.36)

1,621.06

1,778.51

Long term and short term borrowings as at end of the year

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm's Registration No: J04607W/W100166

Khurshed K. Udawadia
Partner

Membership No: 124658

Mumbai, India

30 June 2023



For and on behalf of the Board of Directors of

Sterling and Wilson Private Limited

CIN:U31200MH1974PTC017538

Khurshed Daruvala
Director

DIN:00216905

Spielberg, Austria

30 June 2023

Zarine Daruvala
Managing Director

DIN:00190585

Mumbai, India

Parameshwar Hegde
Chief Financial Officer

Membership No: 203490

Mumbai, India

30 June 2023

K. P. Hariharan
Company Secretary

Membership No: A 5165

Mumbai, India

Sterling and Wilson Private Limited
Consolidated statement of changes in equity
for the year ended 31 March 2022
(Currency : Indian rupees in crores)

A. Equity share capital

Note	Balance as at 1 April 2021	Changes in share capital during the year	Balance as at 31 March 2022
Equity share capital	29.37	-	29.37
Equity share options	29.37	-	29.37

Previous year numbers are in italics

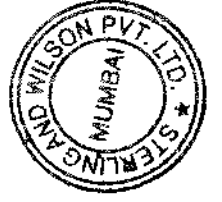
B. Convertible non-cumulative preference shares

Note	Balance as at 1 April 2021	Changes in share capital during the year	Balance as at 31 March 2022
Convertible non-cumulative preference shares	1,802.50	500.00	1,802.50
	1,502.50	-	1,502.50

Previous year numbers are in italics

C. Other equity

	Attributable to owners of the Company										Total			
	Reserves & Surplus				Items of other comprehensive income			Total attributable to owners of the parent						
	Deemed equity contribution received from parent and a shareholder	Capital redemption reserve	Securities premium reserve	Legal reserve	General reserve	Retained earnings	Sub-total	Re-measurement of defined benefit liability	Foreign currency translation reserve	Other Reserve		Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	Sub-total	
Balance as at 1 April 2020	0.00	50.00	56.146	1.11	13.39	(846.08)	(220.12)	(1.64)	(75.82)	3.01	-	(74.45)	4.05	(286.51)
Transferees with owners of the Company (refer note 24(a))	2.37	-	-	-	-	2.37	2.37	-	-	-	-	-	-	2.37
Total comprehensive income for the year	-	-	-	-	-	(1,030.67)	(1,030.67)	-	-	-	-	-	(3.65)	(1,030.67)
Consolidated (loss) for the year	-	-	-	-	-	-	-	0.60	-	0.70	-	1.30	-	1.30
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	37.90	-	-	37.90	(0.33)	37.57
Exchange differences in translating the financial statements of foreign operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(1,030.67)	(1,030.67)	0.60	37.90	0.70	-	39.20	(2.98)	(995.44)
Reversal of gain of subsidiary	-	-	-	-	-	(0.02)	(0.02)	-	-	-	-	-	-	(0.02)
Other Movements	-	-	-	-	-	(0.07)	(0.07)	0.08	-	-	-	0.08	-	0.01
Balance as at 31 March 2021	2.37	50.00	56.146	1.11	13.39	(1,876.84)	(1,248.51)	(0.96)	(37.92)	3.71	-	(55.17)	0.07	(1,283.60)



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Sterling and Wilson Private Limited
Consolidated statement of changes in equity
for the year ended 31 March 2022

(Currency : Indian rupees in crores)

	Attributable to owners of the Company										Total			
	Reserves and surplus			Items of other comprehensive income			Total attributable to owners of the parent		Attributable to non-controlling interests					
	Capital redemption reserve	Securities premium reserve	Legal reserve	General reserve	Retained earnings	Sub-total	Re-measurement of defined benefit liability	Foreign currency translation reserve	Other Reserve	Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		Sub-total		
Balance as at 1 April 2021	2.37	561.45	1.11	13.39	(1,876.84)	(1,248.52)	(0.96)	(37.92)	3.71	-	(35.17)	(1,283.63)	0.07	(1,283.63)
Total comprehensive income for the year	-	-	-	-	(559.59)	(559.59)	-	-	-	-	-	(559.59)	(5.88)	(565.47)
Consolidated (loss) for the year	-	-	-	-	(6.14)	(6.14)	2.11	-	-	1.01	3.12	2.98	-	2.98
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(69.82)	-	-	(69.82)	(69.82)	(6.05)	(69.87)
Exchange differences in translating the financial statements of foreign entities (refer note 24(v))	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	-	-	(559.73)	(559.73)	2.11	(69.82)	-	1.01	(66.70)	(626.43)	(5.94)	(632.40)
Transactions with owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and distributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Perpetual Loans (refer note 24(x))	(2.37)	-	-	-	-	(2.37)	-	-	-	-	-	(2.37)	-	(2.37)
Reclassified to borrowings	(2.37)	-	-	-	-	(2.37)	-	-	-	-	-	(2.37)	-	(2.37)
Total Contributions and distributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of a subsidiary with Non-controlling interests (refer note 59)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests without a change in control (refer note 59)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with non-controlling interests (refer note 59)	-	-	-	-	(27.04)	(27.04)	-	-	-	-	-	(27.04)	(27.04)	(27.04)
Reclassified to borrowings	-	-	-	-	(2.73)	(2.73)	-	-	-	-	-	(2.73)	(2.73)	(2.73)
Total changes in ownership interests	-	-	-	-	(29.77)	(29.77)	-	-	-	-	-	(29.77)	(29.77)	(29.77)
Total Transactions with owners of the Company	(2.37)	-	-	-	(29.77)	(32.14)	-	-	-	-	-	(32.14)	(32.14)	(32.14)
Other Movement:	-	-	-	-	0.52	0.52	-	-	-	-	-	0.52	0.52	0.52
Balance as at 31 March 2022	50.00	561.45	1.12	13.39	(2,465.82)	(1,839.86)	1.15	(107.24)	3.71	1.01	(101.87)	(1,941.72)	(20.31)	(1,962.03)

	Balance as at 1 April 2021	Changes during the year	Balance as at 31 March 2022
Perpetual Loan	-	958.21	958.21
Contingently convertible non-cumulative preference shares	-	-	-

The attached notes are an integral part of these consolidated financial statements. As per our report of even date.

For **Kaizaniwalla & Mistry LLP**
Chartered Accountants
Firm's Registration No: 104607W/W/100166

(Signature)
Amrutesh K. Udvardia
Partner
Membership No: 124658
Mumbai, India
30 June 2023



(Signature)
Zarine Daruvala
Managing Director
DIN: 00190585
Mumbai, India

(Signature)
For and on behalf of the Board of Directors of Sterling and Wilson Private Limited
CIN:R31200MH1974PTC017538
K. P. Haribaran
Company Secretary
Membership No: A 5165
Mumbai, India
30 June 2023

Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

1. Background

Sterling and Wilson Private Limited ("the Company", "the Parent Company") is one of India's leading Mechanical, Electricals and Plumbing and Fire-fighting services (collectively known as 'MEP services') company with a pan India presence and international operations in Middle East, South East Asia, Africa, Europe and Australia. These consolidated financial statements comprise the Company and its subsidiaries (hereinafter collectively referred to as "the Group"), its associate and the Group's interest in joint ventures.

The Group is specialized in complete turn-key solutions, offering a large spectrum of services like Electrical Contracting, heat ventilation and air-conditioning systems, Public health and Safety, LV systems, EPC contracting, Solar EPC and Data Centre solutions. The principal activity of the Group also includes import, export and trading of building materials, related accessories, installation and maintenance of air conditioning systems, electricity transmission and control apparatus and electromechanical equipment. Further, the Group is also engaged in plumbing, sanitary and electrical fitting contracting, and designing, engineering, procurement, fabrication, construction, installation of solar generating facilities and other related activities.

Sterling and Wilson Private Limited is a subsidiary of Shapoorji Pallonji and Company Private Limited, effective from 17 April 2008.

2. Basis of preparation of the consolidated Ind AS financial statements

a. Statement of compliance

The accompanying consolidated Ind AS financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated Ind AS financial statements were authorized for issue by the Board of Directors of the Company at their meeting held on 30 June 2023.

b. Functional and presentation currency

These consolidated Ind AS 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 crores, unless otherwise stated.

c. Basis of measurement

The consolidated Ind AS 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.



Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

d. Use of estimates and judgments

The preparation of the consolidated Ind AS 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 estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of financial statements. Actual results may differ from the estimates used in preparing the financial statements. Differences between the actual results and estimates are recognised in the period in which the results are known / materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

The following are the critical judgements, assumptions and estimation uncertainties that the directors of the Group have made in the process of applying the accounting policies and that have a significant effect on the amounts recognized in the consolidated financial statements as stated below :

(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 recognized in the consolidated Ind AS financial statements for the period in which such changes are determined.

(ii) Estimated useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment 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 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 the 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 capitalized and which components of the cost of the asset may be capitalized. The estimation of residual value of assets is based on management's judgement about the condition of such asset at the point of sale of asset.



Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

(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 utilize any recorded tax assets. The Group reviews its deferred income tax assets at every reporting 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 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 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 period in which the employee renders the related services are recognized 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 recognizes 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.

(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 and contract assets

The Group reviews its financial assets and contract assets to assess impairment at regular intervals. The Group's credit risk is primarily attributable to its financial assets and contract 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.

In case of trade receivables and lease receivables, unbilled 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 credit losses are measured at an amount equal to



Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

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.

(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 assets and financial 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.

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 categorized 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 categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following note:-

Note 57 – Financial Instruments

(ix) *Estimation of provisions and contingencies*

Provisions are liabilities of uncertain amount or timing recognized 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 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) *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.



Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

(xii) *Determination of lease term and Discount rate*

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. 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 *Principles of consolidation and equity accounting*

a. *Subsidiaries*

The consolidated Ind AS financial statements comprise the financial statements of the Parent Company and its subsidiaries (including structured entities) as at 31 March 2022. The Group controls an entity when the Group has power over the investee; 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 entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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 Ind AS financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.



Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

Consolidated Ind AS 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 Ind AS 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 Ind AS 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., 31 March 2022. When the end of the reporting period 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.

The list of subsidiaries, associates, joint ventures and joint operations included in the Consolidated Financial Statements are as under:

Sr. No.	Name of the Entity	Relationship for the purpose of consolidation	Country of Incorporation	% Holding as on 31 March 2022	% Holding as on 31 March 2022
1	Range Consultants Private Limited	Subsidiary	India	100%	100%
2	Sterling and Wilson Security Systems Private Limited	Subsidiary	India	100%	100%
3	Sterling and Wilson International FZE	Subsidiary	United Arab Emirates	100%	100%
4	Sterling and Wilson Cogen Solutions AG	Subsidiary	Switzerland	100%	100%
5	Sterling and Wilson Middle East WLL	Subsidiary	Qatar	49%	49%
6	Sterling and Wilson Nigeria Limited	Subsidiary	Nigeria	100%	51%
7	Sterling and Wilson Nigeria FZE	Subsidiary	Nigeria	100%	100%
8	GCO Australia Pty. Ltd.	Subsidiary	Australia	76%	76%
9	Sterling and Wilson Cogen Solutions Pvt Ltd.	Subsidiary	India	100%	100%
10	Sterling and Wilson Middle East Electromechanical LLC	Subsidiary	United Arab Emirates	100%	49%
11	Enrich-SWPL JV	Subsidiary	India	49%	49%
12	Sterling and Wilson Jindun Consortium	Subsidiary	India	70%	100%
13	Sterling and Wilson Australia Pty *	Step-Down Subsidiary	Australia	-	100%



Sterling and Wilson Private Limited

Notes to the consolidated Ind AS financial statements

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

Sr. No.	Name of the Entity	Relationship for the purpose of consolidation	Country of Incorporation	% Holding as on 31 March 2022	% Holding as on 31 March 2022
14	Sterling and Wilson Power Systems Inc.	Step-Down Subsidiary	United States of America	100%	100%
15	Sterling and Wilson Middle East Electromechanical (Bahrain) WLL	Step-Down Subsidiary	Bahrain	49%	49%
16	Sterling and Wilson Middle East Sanitation, Electrical, Cooling and Conditioning Contracting LLC	Step-Down Subsidiary	Kuwait	49%	49%
17	Sterling and Wilson Cogen Solutions LLC	Step-Down Subsidiary	United States of America	100%	100%
18	STC Power S.r.l. **	Step-Down Subsidiary	Forli, Italy	100%	-

* Sold during the year

** additional acquisition of shares during the year resulted in the control (Refer Note – 59)

The financial statements of subsidiaries at serial number 14 and 17 unaudited and are consolidated based on management certified financial information.

Consolidation procedure:

The Group combines the financial statements of the Parent and its subsidiaries by:

- (i) Adding together line by line like items of assets, liabilities, equity, income, expenses, and cash flows of the parent with those of its subsidiary. For this purpose, the income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated Ind AS 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 recognized 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 Ind AS financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.



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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. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associate and joint ventures. An associate is an entity over which the Group has significant influence. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associate/joint ventures are accounted for using the equity method. Under the equity method, the investment in associate/joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate/joint venture since the acquisition date and the Group's share of other comprehensive income. Goodwill relating to the associate/joint venture is included in the carrying amount of the investment and is not tested for impairment individually. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associate/joint ventures are eliminated to the extent of the Group's interest in these entities until the date on which significant influence or joint control ceases.

Sr. No.	Name of the Company	Relationship	Country of Incorporation	% Holding as on 31.3.2022	% Holding as on 31.3.2021
1	STC Power S.r.l.*	-	Italy	-	60%
2	Co.Stell S.r.l.	Joint Venture	Italy	85%	85%
3	P.T.C. S.a.s. di Barzanti Massimo	Joint Venture	Italy	50%	50%
4	Sterling and Wilson Power Solutions LLC	Associate	United Arab Emirates	49%	49%
5	Sterling and Wilson Enel X e-Mobility Private Limited	Joint Venture	India	50%	-

*In current year it became a subsidiary of Sterling and Wilson International FZE which is a 100% subsidiary of Sterling and Wilson Pvt. Ltd. In previous year, it was a Joint Venture of Sterling and Wilson International FZE.



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d. *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. 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 recognized 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.

1.2 *Business combinations*

Business combinations (other than common control business combinations) on or after 01 April 2015:

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred after the transition date i.e. 1 April 2015.

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred for 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized in the consolidated statement of profit and loss or OCI, as appropriate.



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Common control transactions

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interest method as follows:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (ii) No adjustments are made to reflect fair values, or recognize any new assets and liabilities. Adjustments are only made to harmonize 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 is 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 realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- (ii) it is expected to be realized 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;



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- (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 at least 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 engineering, procurement and construction services (EPC) segment of the Group, the construction projects usually have long gestation periods and based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 36 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.

3.4 Foreign currency

(i) Foreign currency transactions

Initial Recognition

The functional currency of the Company and its Indian subsidiaries is Indian Rupees whereas the functional currency of foreign operations (Subsidiaries, Joint venture and Branches) is the currency of primary economic environment in which the entity operates. Transactions in foreign currencies are recognized at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized 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 recognized 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 recognized in OCI.

(ii) Foreign operations

For the purpose of presenting these consolidated Ind AS financial statements, the assets and liabilities of foreign operations (subsidiaries, joint ventures, branches) including fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the



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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 recognized in OCI and accumulated in equity (as exchange differences on translating the financials 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 recognized 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*

Financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(b) *Classification and subsequent measurement*

Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortized cost; or
- Fair Value through Other Comprehensive Income (FVOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit or Loss (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 asset.



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A financial asset is measured at amortized 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. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic

All financial assets not classified as measured at amortized 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 amortized 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 realizing 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.



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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.

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 recognized 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.



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(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 recognized in the consolidated statement of profit and loss. Other net gains and losses are recognized 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 recognized 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 recognized in OCI and are not reclassified to the consolidated statement of profit and loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognized at the proceeds received, net of directly attributable transaction costs.

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.

(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.



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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

Derivative financial instruments

The Group uses derivative financial instruments to manage exposures to foreign currency risks, including exposures arising from forecast transactions.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reported period. Changes in fair value of derivative financial instruments are generally recognised in the consolidated statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Hedge Accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

a) A fair value hedge – this instrument hedges the exposure to changes in fair value of a recognised asset or liability or a firm commitment; or

b) A cash flow hedge – this instrument hedges exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a forecasted transaction.

c) Net investment hedge – this instrument hedges exposure relating to net investment in a foreign operation.



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Where transactions meet the specified criteria (effectiveness requirements), hedge accounting is used for the related financial instrument. At the time an instrument is designated as a hedge, the Group formally documents the relationship between the hedging instrument and hedged item including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of the hedged item.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument;
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

The fair value of derivative instruments used for hedging purposes is disclosed in note 9. The full fair value of a hedging derivative is classified as a current and non-current asset or liability when the hedged item has a maturity date in excess of twelve months from the balance sheet date, and as a current asset or liability when the maturity of the hedged item is less than twelve months from the balance sheet date. Trading derivatives are classified as current assets or liabilities.

Fair value hedges.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expired or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity using a recalculated effective interest rate.

Cash flow hedges

In relation to cash flow hedges which meet the conditions for hedge accounting, the effective portion of changes in the fair value of hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the



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cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

Hedge accounting is discontinued when a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative amount in other comprehensive income remains in other comprehensive income until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative amount in other comprehensive income are immediately reclassified to the consolidated statement of profit or 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 Ind AS 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 (i.e. as prices) or indirectly. (i.e. derived from prices)

Level 3: inputs that are unobservable for the asset or liability that are not based on the observable market data (unobservable inputs).

For assets and liabilities that are recognised in the consolidated Ind AS 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 period.

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 are stated at cost less accumulated depreciation and accumulated impairment losses.



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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.

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.

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, are lower than or as those specified in Schedule II of the Act as under:

<u>Assets</u>	<u>Life in no. of years</u>	<u>Schedule II useful lives</u>
Office buildings	60 years	60 years
Plant and equipment	5 years to 15 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

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.



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Assets costing INR 5,000 or less are fully depreciated in the year/period of purchase.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition 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.

3.8 Goodwill and other intangible assets

(i) Goodwill

Goodwill is initially recognised as the excess of consideration paid and acquirer's interest in the net fair value of the identifiable net assets of acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to the cash-generating unit which is expected to benefit from the business combination.

(ii) Other intangible assets

Intangible assets comprise primarily of computer software (including enterprise systems) and customer relations. Intangible assets are initially recorded at cost and subsequent to recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value on the acquisition date (which is regarded as their cost).

Subsequent to the initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(iii) Amortisation

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually.

Other intangible assets are amortised over an expected benefit period of one to five 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 are accounted for as a change in an accounting estimate.



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(iv) *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.

3.9 *Inventories*

Inventories comprise cost of purchase, and other costs incurred in bringing the inventories to their present location and condition. Material at central stores comprises wiring, cabling and air-conditioning material, components, stores and spares. Stock in trade comprises of land acquired for land development 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.

3.10 *Impairment*

Impairment of non-derivative financial assets and contract 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 unbilled receivables; and contract assets
- (ii) Financial assets measured at amortised cost (other than trade receivables, unbilled receivables and contract assets).

In case of trade receivables and contract revenue receivables, 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 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.



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ECL are measured in a manner that they reflect unbiased and profitability 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.



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3.11 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 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 periods 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.



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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.

In respect of the overseas subsidiaries, provision is made for employees' terminal benefits on the basis prescribed under the labour laws of the respective countries in which the overseas subsidiaries operate.

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 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.

3.12 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



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control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. A contingent asset is disclosed 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.

3.13 Revenue recognition

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 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.

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.



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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 is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. 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 performance obligation is satisfied over time, 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 Group, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion. The estimates of cost are periodically reviewed by the management and the effect of changes in estimates is recognised in the period such changes are identified.

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 Company.



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Revenue from sale of goods

Revenue is recognised at point in time when the control of asset is transferred to the customer on contractual terms. Revenue represents the invoice value of goods provided to third parties net of discounts and sales taxes/value added taxes/goods and service tax.

Operation and maintenance income:

The Group recognises revenue from Operations & Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

Income from consultancy services :

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Group's performance, and the Group has an enforceable right to payment for services transferred.

Multiple deliverable arrangements :

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item.

3.14 Unbilled revenue, Advances from customers, progress payments and retention

Revenue from services performed on contracts from the end of the last billing to the balance sheet date is recognised as unbilled revenue.

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract.

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

3.15 Leases

At 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 for consideration. To assess whether a contract conveys the right to control the use of an identified 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 capacity of a physically distinct asset. If the lessor 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 as a lessee 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.

The Group as a lessee

Right-of-use asset

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease Liability

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.



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Short-term 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 12 months or less and leases of low-value assets. 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 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.

The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and amortised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

3.16 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.



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4 Property, plant and equipment and capital work-in-progress

Reconciliation of carrying amount

Particulars	Owned Assets							Total (A)	Capital work-in-progress (B)	Total (A+B)
	Leasehold Land	Office buildings improvements	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Office Equipment			
Gross carrying amount :										
Balance as at 1 April 2020	0.47	119.30	17.53	79.87	7.17	10.66	0.07	23.90	0.83	259.80
Add: Additions during the year	-	2.48	1.79	12.57	0.06	0.76	0.19	0.99	-	18.85
Less: Disposals during the year	-	-	-	(5.02)	(1.62)	(2.47)	-	(1.59)	-	(10.70)
Add: Exchange translation difference during the year	-	-	(0.02)	(0.19)	(0.16)	0.22	0.01	(0.02)	-	(0.16)
Balance as at 31 March 2021	0.47	121.78	19.30	87.23	5.45	9.17	0.27	23.28	0.83	267.79
Balance as at 1 April 2021	0.47	121.78	19.30	87.23	5.45	9.17	0.27	23.28	0.83	267.79
Add: Additions during the year	-	-	-	2.83	-	0.19	-	0.26	-	3.28
Add: Accretion through business combination (refer note 59)	-	-	-	0.05	0.17	0.49	-	0.25	-	0.96
Less: Disposals during the year	-	(0.05)	(0.60)	(26.30)	(2.23)	(3.28)	-	(2.48)	-	(34.94)
Less: Assets classified as held for sale	-	-	-	(11.02)	-	-	-	-	-	(11.02)
Add: Exchange translation difference during the year	-	(0.01)	0.01	0.41	0.15	(0.05)	-	(0.66)	-	0.44
Balance as at 31 March 2022	0.47	121.72	18.71	53.20	3.54	6.52	0.27	21.25	0.83	226.52
Accumulated Depreciation :										
Balance as at 1 April 2020	(0.03)	(6.01)	(8.45)	(25.36)	(4.74)	(4.62)	(0.03)	(15.19)	(0.08)	(64.51)
Add: Depreciation for the year	(0.01)	(1.93)	(4.30)	(10.26)	(1.09)	(1.71)	(0.08)	(4.69)	(0.02)	(24.09)
Less: Disposals during the year	-	-	-	(1.24)	(1.54)	(2.01)	-	(1.44)	-	(6.23)
Add: Exchange translation difference during the year	-	-	0.01	0.15	0.14	-	-	0.02	-	0.32
Less: Other adjustments	-	-	-	-	-	-	-	(0.01)	-	(0.01)
Balance as at 31 March 2021	(0.04)	(7.94)	(12.74)	(34.23)	(4.15)	(4.32)	(0.11)	(18.41)	(0.10)	(82.04)
Balance as at 1 April 2021	(0.04)	(7.94)	(12.74)	(34.23)	(4.15)	(4.32)	(0.11)	(18.41)	(0.10)	(82.04)
Add: Depreciation for the year	(0.01)	(1.93)	(2.88)	(8.79)	(0.38)	(1.34)	(0.04)	(2.98)	(0.02)	(18.37)
Less: Disposals during the year	-	(0.02)	(0.60)	(8.77)	(2.12)	(3.00)	-	(2.44)	-	(16.95)
Add: Exchange translation difference during the year	-	-	(0.01)	(0.20)	(0.15)	0.05	-	(0.08)	-	(0.39)
Add: Assets classified as held for sale	-	-	-	1.63	-	-	-	-	-	1.63
Less: Other adjustments	-	(0.02)	-	-	-	(0.01)	-	-	-	(0.03)
Balance as at 31 March 2022	(0.05)	(9.83)	(15.03)	(32.82)	(2.56)	(2.60)	(0.15)	(19.03)	(0.12)	(82.19)
Carrying amounts (net)										
At 31 March 2021	0.42	113.84	6.56	53.00	1.31	4.85	0.16	4.86	0.73	185.75
At 31 March 2022	0.42	111.91	3.68	20.38	1.00	3.92	0.12	2.20	0.71	144.32



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4 Property, plant and equipment and capital work-in-progress (Continued)

Reconciliation of carrying amount (Continued)

Notes:

a) As at 31 March 2022, movable fixed assets with carrying amount of Rs. 25.28 crore (31 March 2021: Rs 60.32 crore) are subject to first charge to secure bank loans.

Name of Asset	As at 31 March 2022	As at 31 March 2021
Plant and equipment	19.73	51.44
Furniture and fixtures	0.74	1.02
Vehicles	2.99	3.56
Computer hardware	1.82	4.30
Total	25.28	60.32

b) Nil amount of borrowing cost is capitalised during the current and comparative periods.

c) Nil amount of impairment loss is recognised during the current and comparative periods.



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4 Property, plant and equipment and capital work-in-progress (Continued)

Reconciliation of carrying amount (Continued)

Notes:

a) As at 31 March 2022, movable fixed assets with carrying amount of Rs. 25.28 crore (31 March 2021: Rs 60.32 crore) are subject to first charge to secure bank loans.

Name of Asset	As at 31 March 2022	As at 31 March 2021
Plant and equipment	19.73	51.44
Furniture and fixtures	0.74	1.02
Vehicles	2.99	3.56
Computer hardware	1.82	4.30
Total	25.28	60.32

b) Nil amount of borrowing cost is capitalised during the current and comparative periods.

c) Nil amount of impairment loss is recognised during the current and comparative periods.



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4 Capital work-in-progress Ageing

Ageing of CWIP as on 31 March, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 years	2-3 Years	More than 3 Years	
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Details of capital-work-in progress which has exceeded its cost compared to its original plan as at 31 March, 2022

There were no material projects which have exceeded their original plan cost as at 31 March, 2022.

Ageing of CWIP as on 31 March, 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 years	2-3 Years	More than 3 Years	
Projects in Progress	0.02	0.01	0.05	0.24	0.32
Projects temporarily suspended	-	-	-	-	-
Total	0.02	0.01	0.05	0.24	0.32



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4.1 Right-of-use assets

Disclosure under Ind AS 116, Leases

A) Group as a Lessee

a) Amount recognised in balance sheet

Following is the movement in Right-of-use assets:

	Land and Buildings *	Leasehold Office Equipment	Leasehold Computers	Others**	Total
Gross carrying amount :					
Balance as at 1 April 2020	41.28	-	-	-	41.28
Less: Disposals during the year	(1.81)	-	-	-	(1.81)
Less: Written off during the year	(0.62)	-	-	-	(0.62)
Add: Exchange translation difference during the year	0.12	-	-	-	0.12
Balance as at 31 March 2021	38.97	-	-	-	38.97
Balance as at 1 April 2021	38.97	-	-	-	38.97
Add: Acquisition through business combination (refer note 59)	-	0.77	0.31	6.63	7.71
Add: Additions during the year	34.95	-	0.16	-	35.11
Less: Disposals during the year	(38.95)	-	-	-	(38.95)
Less: Written off during the year	-	-	-	-	-
Add: Exchange translation difference during the year	(0.03)	0.02	0.01	0.20	0.20
Balance as at 31 March 2022	34.94	0.79	0.48	6.83	43.04
Accumulated depreciation					
Balance as at 1 April 2020	19.90	-	-	-	19.90
Add: Depreciation for the year	14.60	-	-	-	14.60
Less: Disposals during the year	(1.10)	-	-	-	(1.10)
Add: Exchange translation difference during the year	(0.16)	-	-	-	(0.16)
Balance as at 31 March 2021	33.24	-	-	-	33.24
Balance as at 1 April 2021	33.24	-	-	-	33.24
Add: Depreciation for the year	6.66	0.80	0.12	3.80	11.38
Less: Disposals during the year	(33.23)	-	-	-	(33.23)
Add: Exchange translation difference during the year	(0.01)	(0.01)	-	(0.05)	(0.07)
Balance as at 31 March 2022	6.66	0.79	0.12	3.75	11.32
Carrying amounts					
Balance as at 31 March 2021	5.74	-	-	-	5.74
Balance as at 31 March 2022	28.28	-	0.36	3.08	31.72

*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.

**Others majorly comprising of contract for providing logistics services, information technology services and other services

Following is the movement in Lease liabilities:

Particulars	Amount
Balance as at 01 April 2020	22.53
Add: Additions	-
Add: Finance cost accrued during the year	1.37
Add: Gain on modification	(0.34)
Less: Written off during the year	(0.45)
Less: Payments of lease liabilities	(17.10)
Add/Less: Effect of foreign currency translation	0.27
Balance as at 31 March 2021	6.28
Add: Acquisition through business combination (refer note 59)	8.01
Add: Additions	35.11
Add: Finance cost accrued during the year	3.73
Less: Payments of lease liabilities	(13.24)
Add/Less: Non cash movements for acquisition and disposals	(6.31)
Add/Less: Effect of foreign currency translation	0.21
Balance as at 31 March 2022	33.79



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

4.1 Right-of-use assets (Continued)

Disclosure under Ind AS 116, Leases

A) Group as a Lessee (Continued)

b) Amount recognised in the statement of profit & loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on Land and Buildings	11.38	14.60

Breakdown of lease expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense	3.73	1.38
Short-term lease expense	39.99	28.12
Total	43.72	29.49

c) Cash outflow on leases

	For the year ended 31 March 2022	For the year ended 31 March 2021
Repayment of lease liabilities (Including Interest on lease liabilities)	13.24	17.10
Short-term lease expense	39.99	28.12
Total cash outflow on leases	53.23	45.22

d) Maturity analysis of lease liabilities

31 March 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	12.01	8.71	19.46	2.11	42.29	7% - 11.50%
31 March 2021	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Total	Weighted average effective interest rate %
Lease liabilities	3.18	1.16	2.17	0.84	7.35	7% - 11.50%
	3.18	1.16	2.17	0.84	7.35	

B) Group as a Lessor

The Indian subsidiary company has given office building on lease to related parties for the periods ranging from 12 months to 36 months. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and amortised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

a) Amounts recognized in statement of profit and loss

	Year ended 31 March 2022 (in crores)	Year ended 31 March 2021 (in crores)
Rental income from related party	0.15	0.34

b) Undiscounted lease payments to be received after 31 March 2022

	Year ended 31 March 2022 (in crores)	Year ended 31 March 2021 (in crores)
Less than one year	-	-
Between 1 and 2 years	-	-
2 and 5 years	-	-
Over 5 years	-	-
Total undiscounted lease payments to be received [†]	-	-

[†] Rental income to be received post 31 March 2022 will be eliminated while preparing consolidated financial statements. Accordingly, the group will not have any lease payment receivable from related party post 31 March 2022.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

5 Intangible assets

Particulars	Goodwill	Computer software	Other Intangibles*	Intangible assets under development	Total
Balance as at 1 April 2020	12.70	15.99	-	-	28.69
Add: Additions during the year	-	0.05	-	-	0.05
Less: Disposals during the year	-	(2.78)	-	-	(2.78)
Add: Exchange translation difference during the year	-	(0.06)	-	-	(0.06)
Balance as at 31 March 2021	12.70	13.20	-	-	25.90
Balance as at 1 April 2021	12.70	13.20	-	-	25.90
Add: Acquisition through business combination (refer note 59)	111.98	3.14	27.11	-	142.23
Add: Additions during the year	-	0.26	-	-	0.26
Less: Disposals during the year	-	(0.90)	-	-	(0.90)
Add: Exchange translation difference during the year	3.50	-	0.85	-	4.35
Balance as at 31 March 2022	128.18	15.70	27.96	-	171.84
Accumulated amortisation and impairment losses:					
Balance as at 1 April 2020	1.37	9.16	-	-	10.53
Add: Amortisation for the year	-	2.16	-	-	2.16
Less: Disposals during the year	-	(0.95)	-	-	(0.95)
Add: Exchange translation difference during the year	-	(0.03)	-	-	(0.03)
Balance as at 31 March 2021	1.37	10.34	-	-	11.71
Balance as at 1 April 2021	1.37	10.34	-	-	11.71
Add: Amortisation for the year	-	2.42	-	-	2.42
Less: Disposals during the year	-	(0.90)	-	-	(0.90)
Add: Impairment loss	44.65	-	27.54	-	72.19
Add: Exchange translation difference during the year	(0.44)	0.10	0.42	-	0.08
Balance as at 31 March 2022	45.58	11.96	27.96	-	85.50
At 31 March 2021	11.33	2.96	-	-	14.29
At 31 March 2022	82.61	3.74	-	-	86.34

* Other intangible assets represent fair value of customer contracts arising from acquisition of subsidiary, STC Power S.r.l. (refer note 59). The other intangible assets are not amortised but tested for impairment annually at each reporting period.

Notes:

- Nil amount of borrowing cost is capitalised during the current and comparative periods.
- Nil amount of impairment loss is recognised during comparative periods.



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Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

5.1 Goodwill

Goodwill acquired through business combinations with indefinite lives has been allocated to following CGU's

Entity name	31 March 2022	31 March 2021
Range Consultants Private Limited	4.75	4.75
Sterling and Wilson Security Systems Private Limited	1.09	1.09
Sterling and Wilson Nigeria Limited	5.49	5.49
STC Power S.r.l (net of impairment loss)*	71.28	-
Total	82.61	11.33

*Subsidiary of Sterling and Wilson International FZE

The Group tests goodwill on an annual basis and whenever there is an indication that the CGU to which the goodwill has been allocated may be impaired. The goodwill impairment test is performed at the level of the CGU or group of CGUs that benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount is determined based on higher of value-in-use and fair value less cost of disposal. Where there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions, the recoverable amount is determined by value-in-use. In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. In circumstances where a reliable value-in-use estimate is difficult to make whereas market value of the asset or the CGU or group of CGUs is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, where applicable.

Apart from the observable market information, significant management estimates and judgments are used to determine the recoverable amounts based on value-in-use. Key assumptions on which management has based its determination of recoverable amount includes estimated growth rates (including terminal growth rates), margins and discount rates. Cash flow projections are usually considered for next 3-5 years and represent management's best estimate about future developments with due consideration for past performance. Cash flows beyond the five-year period are extrapolated using terminal growth rates.

For the purpose of impairment testing, goodwill is allocated to the business of the subsidiary, STC Power S.r.l. (cash generating unit (CGU)), which represent the lowest level within the Group at which goodwill is monitored for internal management purposes. The recoverable amount of this cash generating unit (CGU) is based on the basis of value in use calculations using discounted cash flows. The value in use measurement has been categorised as Level 3 fair value based on the inputs to the valuation technique used (refer note 57).

In assessing the value in use, the 2023-2027 business plan as approved by the Board was used. The estimation of the discount rate was calculated in accordance with the WACC methodology, which also includes a non-diversifiable systemic risk coefficient relating to the sector to which the CGU is assessed. Furthermore, in relation to the estimation of the so-called terminal value representative of the cash flows expected beyond the time horizon of the explicit business plan, a coefficient of variation of the aforementioned flows equal to zero (growth rate = 0%) was prudentially used.

The key assumptions used in the estimation of the recoverable amount are set out below. The value assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

	31 March 2022	31 March 2021
Discount rate (WACC)	16.19%	-
Terminal value growth rate	0.00%	-
Average EBIDTA margin	3.50%	-

The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible debt leveraging of zero percent.

The cash flows projections include specific estimates for five years and a terminal value beyond the plan is assumed to be equal to the cash flow of the last year plan (2027), substantially in line with the five-year average, in order to neutralise the impact of growth rate thereafter.

Budgeted EBIDTA has been estimated taking into account past experience, adjusted as follows:

- Revenue has been projected taking into account the expected future contracts under negotiation and based on historical data.
- Gross profit margin on expected contracts is estimated to be 8.9% to 11.30%.

The estimated recoverable amount of the CGU is lower than its carrying amount by approximately Rs. 44.65 crore.

Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to be further lower than the recoverable amount in order to trigger further impairment. The following table shows the amount by which these two assumptions would need to change individually to trigger further impairment.

	31 March 2022	31 March 2021
Decrease in expected future contracts	1 contract	-
Decrease in gross profit margin obtainable from expected contracts	20%	-



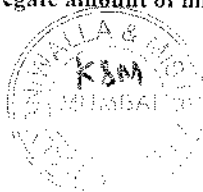
Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
6 Investments accounted for using equity method (refer note 52 and 53)		
(a) Unquoted, in Joint Ventures		
EUR 16,68,346 share quota (31 March 2021 : EUR 16,68,346) Co. Stel S.r.l.	15.10	14.72
EUR 5,000 share quota (31 March 2021: EUR 5,000) P.T.C S.A.S Di Barzanti Massimo	0.92	0.33
Enel X e-Mobility Pvt Ltd	3.44	-
4,267,621 (31 March 2021: Nil) shares of Rs 10 each, fully paid up		
(b) Unquoted, in Associates		
Sterling & Wilson Power Solutions LLC	0.25	0.25
[147 (31 March 2021: 147) shares of AED 1,000 each, fully paid-up]		
Less : Share of losses in associate	(0.25)	(0.25)
	<u>19.46</u>	<u>15.05</u>
Aggregate amount of unquoted investments;	19.46	15.05
Aggregate amount of impairment in value of investments	-	-
7 Other Non-Current Investments		
(a) Investment in equity instruments (at fair value through profit or loss)		
Sterling and Wilson Saudi Arabia Limited*	0.10	0.09
500 (31 March 2021 : 500) shares of SAR 1,00 each, fully paid up		
Monjin Interviews Private Limited	28.70	19.91
237,037 (31 March 2021: 237,037) shares of Rs. 10 each, fully paid-up		
Transtel Utilities Ltd,UK**#	0.00	0.00
10 (31 March 2021 : 10) shares of GBP 1 each, fully paid up		
SWB Power Ltd***	0.00	0.00
10 (31 March 2021: 10) shares of GBP 1 each, fully paid up		
Less: Provision for impairment	(0.10)	(0.09)
	<u>28.70</u>	<u>19.91</u>
* The Group has a share of 5% in share capital of the Sterling and Wilson Saudi Arabia Limited, a company incorporated in Kingdom of Saudi Arabia who is engaged in construction of electrical and mechanical works. During the year 2019-20, management has provided for the impairment on its investment.		
** The investments in Transtel Utilities Ltd, UK and SWB Power Ltd. are shown at Cost since the information about the fair value of those investments are not available. Management is of the view that the difference between Cost and Fair value is not material.		
# The Investment value is less than Rs. 0.01 crore.		
(b) Investment in preference shares		
Unquoted, in fellow subsidiaries (at fair value through profit or loss)		
Sterling Generators Private Limited	48.49	50.46
500,000 (31 March 2021: 500,000) 4% redeemable, non-convertible, non-cumulative preference shares of Rs. 1,000 each, fully paid-up. The preference shares are redeemable after a period of 8 years from the date of issue either at option of the Company at premium to be fixed based on expert's valuation report.		
	<u>77.19</u>	<u>70.37</u>
Aggregate amount of unquoted investments	77.19	70.37
Aggregate amount of impairment in value of investments	0.10	0.09



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
8 Non-Current Loans		
<i>(Unsecured considered good unless otherwise stated)</i>		
<i>Loan to third party</i>		
Considered good (refer note 1 below)	46.23	43.98
Considered doubtful	1.99	2.15
	<u>48.22</u>	<u>46.13</u>
Less: Provision for doubtful Loan	1.99	2.15
	<u>46.23</u>	<u>43.98</u>
<i>To related parties</i>		
Considered good (refer note 2 below)	14.33	58.48
Includes interest receivable of Rs. 3.46 crore (31 March 2021: Rs. 3.46 crore)		
Considered doubtful	2.10	1.42
	<u>16.43</u>	<u>59.90</u>
Less: Provision for doubtful Loan	2.10	1.42
	<u>14.33</u>	<u>58.48</u>
	<u>60.56</u>	<u>102.46</u>



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Notes to the consolidated financial statements (Continued)

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(Currency : Indian rupees in crores)

8 Non-Current Loans (continued)

Note 1 :Details of loan given to to third Party shown below :

Loan Details			31 March 2022			31 March 2021			Repayment Terms
Loan Denominated Currency	Type of Loan	Interest Rate	Non Current	Current	Total	Non Current	Current	Total	
USD	Unsecured	3% p.a.	-	-	-	-	31.55	31.55	Receivable not later than 2 years from the date of disbursement. During the current year on 28 February 2022, the third party has fully assigned the loan balance to other third party as per the terms of the Novation agreement.
USD	Unsecured	Interest free	-	7.13	7.13	-	6.92	6.92	Receivable on or before 31 March 2023 (31 March 2021: not later than 2 years from the date of disbursement of the principal amount in the year 2019-20).
USD	Unsecured	3% p.a.	-	-	-	2.79	17.26	20.05	Receivable not later than 2 years from the date of disbursement. During the current year on 28 January 2022, the third party has fully assigned the loan balance to other third party as per the terms of the Novation agreement.
USD	Unsecured	3% p.a.	-	-	-	-	7.62	7.62	Receivable not later than 2 years from the date of disbursement. During the current year, the loan has been written off to the consolidated statement of comprehensive income.
USD	Unsecured	3% p.a.	-	98.56	98.56	41.19	-	41.19	Receivable on or before 31 March 2023. During the current year, third parties have assigned their loans aggregating to Rs. 56.37 crore as per the terms of the Novation agreement dated 28 January 2022 and 28 February 2022 respectively
USD	Unsecured	Interest free	2.65	-	2.65	-	2.57	2.57	Receivable not later than 3 years from the date of disbursement.
USD	Unsecured	3% p.a.	43.58	-	43.58	-	-	-	Receivable not later than 2 years from the date of disbursement.
Total			46.23	105.69	151.92	43.98	65.92	109.90	

Note -2 : Details of loan to related parties as show below:

(i) Rs. 7.02 crore (31 March 2021 : Rs. 6.50 crore), denominated in AED, unsecured interest free loan, receivable not later than 31 March 2023 or 3 years from the date of the disbursement or such later date as may be agreed by parties.

(ii) Rs. 42.16 crore (31 March 2021 : Rs. 40.85 crore), denominated in GBP, unsecured interest free loan, receivable not later than 31 March 2023 or such later date as may be agreed by parties.

The Group calculated the fair value of the above two loans to related party by discounting the contractual cashflows to its present value using the discount rate of 5.5% p.a., as result of discounting the imputed interest expense of Rs. 2.43 crore (31 March 2021 : Rs.1.52 crore) recognised in the consolidated statement of comprehensive income during the year.

(iii) Rs. 7.87 crore (31 March 2021: Rs. 11.67 crore), denominated in Euro, unsecured carries an interest at 3.5% (31 March 2021: Rs. Nil p.a.) and is receivable on or before 31 October 2022.

(iv) Rs. 11.34 crore (31 March 2021: Rs. 7.33 crore), denominated in USD, unsecured interest free loan receivable on demand.

(v) The unsecured loan given by subsidiary company having an outstanding balance of Rs. 6.42 crore (31 March 2021: Rs. 7.68 crore) carrying interest rate of 8% p.a wherein interest is repayable on demand and principal at the option of the borrower on or before 31 March 2025.

Dues from firms or private companies in which any director is a partner or a director or member:

	31 March 2022	31 March 2021
Frankel Utilities Ltd,UK	47.34	38.12



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Notes to the consolidated financial statements (Continued)

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(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
9 Other non-current financial assets		
Bank deposits* (due to mature after 12 months from reporting date)	1.26	5.69
Security Deposits	11.72	11.82
Derivative financial instruments designated as hedging instruments	0.98	-
- Cash flow hedge: Interest rate swap used for hedging **		
	<u>13.96</u>	<u>17.51</u>
<p>* Bank deposit to the extent of Rs 1.25 crore (31 March 2021: Rs 5.67 crore) is held as margin money or security against the borrowings, guarantees, other commitments.</p> <p>** The Group has entered into interest rate swap to add stability to interest expense and to manage its exposure to interest rate movements in loans taken from bank. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Group making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges is recorded in accumulated other comprehensive income and is subsequently reclassified to statement of profit and loss in the period that the hedged forecasted transaction affects the statement of profit and loss. The notional principal amounts of the outstanding interest rate swap contracts at 31 March 2022 were Rs. 47.42 crore.</p>		
10 Deferred tax assets (net)		
<i>Deferred tax assets</i>		
Employee benefits	20.04	20.04
Provision for bad and doubtful debts and loans and advances	8.93	9.31
Provision for foreseeable losses	3.22	3.22
Provision for loans and advances	1.83	1.83
Carry forward business losses *	3.80	34.25
Impairment allowances	1.43	1.79
Property, plant and equipment	0.18	0.18
Unabsorbed depreciation	19.24	19.24
MAT credit	5.40	5.40
Others	0.23	0.23
	<u>64.30</u>	<u>95.49</u>
<i>Deferred tax liabilities</i>		
Property, plant and equipment	12.57	12.57
Fair valuation of investments	2.13	2.13
On undistributed profits of a subsidiary	-	1.66
Writeback of Provision for liquidated damages	0.26	0.26
	<u>14.96</u>	<u>16.61</u>
Deferred tax assets recognised, net	<u>49.34</u>	<u>78.88</u>
10.1 Deferred tax liabilities		
<i>Deferred tax liabilities</i>		
Property, plant and equipment	0.11	0.13
Deferred tax liabilities recognised	<u>0.11</u>	<u>0.13</u>
<p>* Represents deferred tax asset recognised on carried forward business loss of Rs 6.56 crore (31 March 2021: Rs 92.81 crore)</p>		
11 Non-current tax assets (net)		
Advance tax [net of provision for tax of Rs 121.52 crore (31 March 2021: Rs 83.05 crore)] (includes fringe benefits tax and wealth tax)	66.41	37.15
	<u>66.41</u>	<u>37.15</u>
12 Other non-current assets		
<i>(Unsecured, considered good)</i>		
<i>To parties other than related parties</i>		
Prepayments	3.12	3.00
Balance with government authorities	4.19	-
Capital advances	3.42	3.30
	<u>10.73</u>	<u>6.30</u>



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as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
13 Inventories		
<i>(valued at lower of cost and net realisable value unless otherwise stated)</i>		
Construction materials, stores and spare parts	4.99	18.97
{includes inventory in transit Rs. Nil (31 March 2021: Rs. Nil); and net of Rs. Nil (31 March 2021: Rs. Nil) provided towards inventory obsolescence}		
Stock-in-trade	32.51	59.95
	<u>37.50</u>	<u>78.92</u>
Carrying amount of inventories (included above) pledged as securities for borrowings	3.93	17.93
The write-down of inventories to net realisable value during the year amounted to Rs. Nil (31 March 2021 : Rs. Nil).		
14 Current investments		
Investment in equity instruments		
(Measured at fair value through profit and loss)		
Quoted:		
Crompton Greaves Consumer Electrical Limited*	0.00	0.00
6 (31 March 2021 : 6) Equity shares of Rs. 10 each, fully paid-up		
CG Power & Industrial Solution Limited*	0.00	0.00
6 (31 March 2021 : 6) Equity shares of Rs. 10 each, fully paid-up		
Ruchi Soya Limited*	0.00	0.00
2 (31 March 2021 : 2) Equity shares of Rs. 10 each, fully paid-up		
Tata Consultancy Services Limited	0.46	0.39
1,232 (31 March 2021 : 1,232) Equity shares of Rs. 10 each fully paid-up		
Unquoted:		
Western India Sugar & Chemical Industries Limited*	0.00	0.00
400 (31 March 2021 : 400) Equity shares of Rs. 10 each, fully paid-up		
Mid East India Limited*	0.00	0.00
300 (31 March 2021 : 300) Equity shares of Rs. 10 each, fully paid-up		
Montari Leather Limited*	0.00	0.00
1000 (31 March 2021 : 1,000) Equity shares of Rs. 10 each fully paid-up		
Otoklin Plants and Equipment's Limited*	0.00	0.00
500 (31 March 2021 : 500) Equity shares of Rs. 10 each, fully paid-up		
SIV Limited (South India Viscose Limited)	0.01	0.01
600 (31 March 2021 : 600) Equity shares of Rs. 10 each, fully paid-up		
Sudhiti Hosiery Limited	0.01	0.01
2500 (31 March 2021 : 2,500) Equity shares of Rs. 10 each, fully paid-up		
Less: Provision for diminution in the value of quoted and unquoted current investments	(0.03)	(0.03)
Total (a)	<u>0.45</u>	<u>0.38</u>

*Value less than Rs. 0.01 crore



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Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
14 Current investments (Continued)		
Investment in debentures		
(Measured at amortised cost)		
Western India Sugar & Chem. Industries Limited*	0.00	0.00
300 (31 March 2021 : 300) 15% Debentures of Rs. 50 each, fully paid-up		
Total (b)	<u>0.00</u>	<u>0.00</u>
Investment in Mutual Funds		
(Measured at fair value through profit and loss)		
250,000 units (31 March 2021 : 250,000 units) Union Long Bond Fund Growth	0.31	0.30
Total (c)	<u>0.31</u>	<u>0.30</u>
Total (a + b + c)	<u>0.76</u>	<u>0.68</u>
*Value less than Rs. 0.01 crore		
The aggregate book value and market value of quoted current investments and book value of unquoted current investments are as follows:		
Aggregate amount of quoted investments	0.47	0.39
Aggregate market value of quoted investments	0.47	0.39
Aggregate amount of unquoted investments	0.34	0.30
Aggregate amount of impairment in value of investments	0.03	0.03
15 Trade receivables		
(Unsecured)		
Trade Receivable		
- Considered good*	2,421.65	2,634.46
- Doubtful	166.76	127.90
	<u>2,588.41</u>	<u>2,762.36</u>
Allowance for expected credit loss**		
- Doubtful	166.76	127.90
	<u>166.76</u>	<u>127.90</u>
Net trade receivables	<u>2,421.65</u>	<u>2,634.46</u>
*Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	198.91	213.40
	<u>198.91</u>	<u>213.40</u>
As at 31 March 2022, trade receivables includes retention of Rs. 67.61 crores (31 March 2021: Rs. 91.94 crores) relating to construction contracts in progress.		
** Allowance for expected credit loss 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 57.		
Unimpaired receivables and amounts due from related parties are considered collectible based on historic experience. It is not the practice of the Group to obtain collateral over receivables.		
Dues from firms or private companies in which any director is a partner or a director or member :		
Shapoorji Pallonji and Company Private Limited	24.40	27.68
Sterling and Wilson Powergen Private Limited	-	0.62
	<u>24.40</u>	<u>28.30</u>



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

15.1 Trade Receivable ageing schedule as on 31st March 2022

Particulars	Outstanding for following period from due date of payment/date of transaction							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
- Considered good	-	178.18	525.78	198.75	223.14	267.16	271.52	1,664.53
- which have significant increase in credit risk	-	-	-	-	-	112.42	-	112.42
- Credit Impaired	-	-	1.13	2.09	7.05	0.26	29.45	39.98
Disputed Trade Receivables								
- Considered good	-	-	-	-	-	-	757.12	757.12
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit Impaired	-	-	-	-	-	7.66	6.70	14.36
Total	-	178.18	526.91	200.84	230.19	387.50	1,064.79	2,588.41
Less: Allowance for expected credit loss	-	-	(1.13)	(2.09)	(7.05)	(120.35)	(36.14)	(166.76)
Total	-	178.18	525.78	198.75	223.14	267.15	1,028.65	2,421.65

Trade Receivable ageing schedule as on 31st March 2021

Particulars	Outstanding for following period from due date of payment/date of transaction							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
- Considered good	-	255.59	574.13	206.84	421.19	161.05	166.74	1,785.54
- which have significant increase in credit risk	-	0.22	-	-	0.78	-	13.61	14.61
- Credit Impaired	-	-	11.89	-	6.33	-	18.29	36.51
Disputed Trade Receivables								
- Considered good	-	-	-	-	105.43	-	743.49	848.92
- which have significant increase in credit risk	-	-	-	-	76.78	-	-	76.78
- Credit Impaired	-	-	-	-	-	-	-	-
Total	-	255.81	586.02	206.84	610.51	161.05	942.13	2,762.36
Less: Allowance for expected credit loss	-	(0.22)	(11.89)	-	(83.89)	-	(31.90)	(127.90)
Total	-	255.59	574.13	206.84	526.62	161.05	910.23	2,634.46



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
16 Cash and cash equivalents		
Balances with Bank		
- in current accounts	110.82	85.06
Cheques, drafts on hand	0.08	0.14
Cash on hand	1.68	0.50
	<u>112.58</u>	<u>85.70</u>
17 Bank balances other than cash and cash equivalents		
Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)*	49.77	46.83
Includes interest receivable of Rs. 0.04 crore (31 March 2021 : Rs. 0.05 crore)		
Margin money deposits **	1.24	1.20
	<u>51.01</u>	<u>48.03</u>
18 Loans		
<i>(Unsecured considered good unless otherwise stated)</i>		
<i>To related parties</i>		
Loans given to subsidiaries		
- considered good	0.00	-
- credit impaired	-	-
	<u>0.00</u>	<u>-</u>
Less: credit impaired	-	-
	<u>0.00</u>	<u>-</u>
To related parties	75.84	77.52
Includes interest receivable of Rs. 1.82 crore (31 March 2021: Rs. 6.61 crore)		
Refer note 8 (i) for terms of loan including interest rate and repayment terms.		
<i>To parties other than related parties</i>		
Loan to employees	1.62	1.86
Loan to third party	111.93	93.38
Refer note 8 (i) for terms of loan including interest rate and repayment terms.		
	<u>189.39</u>	<u>172.75</u>

- (i) Loan having an outstanding balance of Rs. 9.55 Crores (31 March 2021: Rs. 52.16 crores) given to other related parties carry an interest rate ranging from 6.75% to 11.89% and is repayable on demand.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
19 Other financial assets		
<i>(Unsecured)</i>		
<i>To related parties</i>		
Other receivables		
- considered good	21.60	46.86
- considered doubtful	-	-
	<u>21.60</u>	<u>46.86</u>
Provision for doubtful receivables	-	-
	<u>21.60</u>	<u>46.86</u>
Security deposits		
- considered good	11.18	18.05
- considered doubtful	0.60	0.60
	<u>11.78</u>	<u>18.65</u>
Less: Provision for doubtful deposit	(0.60)	(0.60)
	<u>11.18</u>	<u>18.05</u>
Other receivables	30.62	31.58
(includes interest accrued on receivables of Rs. Nil (31 March 2021: Rs. Nil)		
- considered doubtful	2.92	-
	<u>33.54</u>	<u>31.58</u>
Provision for doubtful receivables	(2.92)	-
	<u>30.62</u>	<u>31.58</u>
	<u>63.40</u>	<u>96.50</u>
Other receivables		
Dues from firms or private companies in which any director is a partner or a director or member:		
Sashwat Energy Private Limited	1.10	0.80
Sterling Generators Private Limited	1.45	2.36
Sterling and Wilson International Solar FZCO	2.63	2.55
Transtel Utilities Limited, UK	12.13	18.00
Sterling and Wilson Powergen FZE, U.A.E	0.86	0.80
Sterling And Wilson Renewable Energy Limited (formerly known as Sterling And Wilson Solar Limited)	0.04	20.94
20 Current tax assets (net)		
Advance tax	18.77	14.93
net of provision for tax of Rs. Nil (31 March 2021 : Rs. Nil)		
	<u>18.77</u>	<u>14.93</u>
Below is the movement of non-current and current tax asset:		
Opening Balance	52.08	143.21
Add : Advance tax paid during the year	48.32	31.33
Less : Refund received during the year	(15.83)	(124.88)
Add/Less: Other Adjustments	1.43	2.79
Add/Less: Exchange translation difference during the year	(1.22)	(0.37)
Closing Balance	<u>84.78</u>	<u>52.08</u>



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
21 Other current assets		
<i>(Unsecured)</i>		
<i>To related parties</i>		
Advances for supply of goods	1.82	5.77
Contract Assets	57.46	44.84
<i>To parties other than related parties</i>		
Advances for supply of goods		
- considered good	147.42	158.01
- considered doubtful	5.57	4.65
	<u>152.99</u>	<u>162.66</u>
Less: Provision for doubtful advances	(5.57)	(4.65)
	<u>147.42</u>	<u>158.01</u>
Advance for projects	0.33	0.06
Contract Assets	-	-
Unbilled receivables		
- considered good	-	-
- considered doubtful	-	-
	<u>-</u>	<u>-</u>
Less: Provision for doubtful unbilled receivables	-	-
	<u>-</u>	<u>-</u>
Contract Assets		
- considered good	793.45	905.20
- considered doubtful	58.53	28.09
	<u>851.98</u>	<u>933.30</u>
Less: Provision for doubtful contract assets *	(58.53)	(28.09)
	<u>793.45</u>	<u>905.20</u>
Other recoverables	-	0.17
Balance with government authorities	234.63	238.80
Prepayments	23.28	14.28
Advances to employees	5.83	12.98
	<u>1,264.22</u>	<u>1,380.12</u>
* The allowance on expected credit loss of contract assets has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for contract assets 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 contract assets are disclosed in note 57.		
Dues from firms or private companies in which any director is a partner or a director or member:		
<i>Advances for supply of goods</i>		
Sterling Generators Private Limited	1.82	5.77
22 Asset held for sale		
Plant & Machinery held for sale	9.39	-
	<u>9.39</u>	<u>-</u>

In March 2022, the management has decided to hive off its Rooftop Independent Power Producers Division. The negotiation for sale with interested parties are in process. The aforementioned sale is expected to be completed by April 2022.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
23 Share capital		
Authorised		
50,000,000 (31 March 2021 : 50,000,000) Equity shares of Rs. 10 each	50.00	50.00
215,00,000 (31 March 2021 : 215,00,000) 0% Compulsorily convertible non-cumulative preference shares of Rs. 1,000 each	2,150.00	2,150.00
	<u>2,200.00</u>	<u>2,200.00</u>
Issued, subscribed and fully paid up:		
29,369,333 (31 March 2021 : 29,369,333) Equity shares of Rs 10 each, fully paid-up	29.37	29.37
18,025,000 (31 March 2021: 18,025,000) 0% Compulsorily convertible non-cumulative preference shares of Rs. 1,000 each, fully paid-up	1,802.50	1,802.50
	<u>1,831.87</u>	<u>1,831.87</u>

(A) Reconciliation of shares outstanding at the beginning and at the end of year:

	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Equity shares				
Balance as at the beginning of the year	2,93,69,333	29.37	2,93,69,333	29.37
Add : Issued during the year	-	-	-	-
Balance as at the end of the year	<u>2,93,69,333</u>	<u>29.37</u>	<u>2,93,69,333</u>	<u>29.37</u>
0% Compulsorily convertible non-cumulative preference shares				
Balance as at the beginning of the year*	1,80,25,000	1,802.50	1,50,25,000	1,502.50
Add: Issued during the year**	-	-	30,00,000	300.00
Balance as at the end of the year	<u>1,80,25,000</u>	<u>1,802.50</u>	<u>1,80,25,000</u>	<u>1,802.50</u>

(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 subject to payment of dividend to preference shareholders. 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.

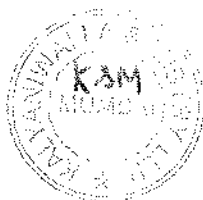
Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

0% Compulsorily convertible non-cumulative preference shares:

* Compulsorily convertible non-cumulative preference shares were issued on 17 March 2018 and 10 March 2020 and each share is convertible into four equity shares of par value Rs. 10 each after 36 months from the date of issue. The Company has extended the conversion period from 14 March 2021 up to 14 March 2027, i.e. being an additional period of 72 months. Compulsorily convertible non-cumulative preference shares were issued on 10 March 2020 and each share is convertible into four equity shares of par value Rs. 10 each after 240 months from the date of issue.

** Compulsorily convertible non-cumulative preference shares were issued on 03 October 2020 and 07 January 2021 and each share is convertible into five equity shares of par value Rs. 10 each after 240 months from the date of issue.

Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend is not declared in respect of a financial year, the entitlement for that financial year lapses. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of liquidation, the preference shareholders will be entitled to receive from the proceeds of liquidity event, on par to the holders' of equity shares or securities convertible into equity shares, an amount equal to 100% of the amounts invested by it plus any declared but unpaid dividends, to be distributed pro-rata among the holders' of equity shares and preference shares of the Company on an as converted basis.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

23 Share capital (Continued)

(C) Shares held by the Holding Company and its subsidiaries

	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Equity shares				
Shapoorji Pallonji and Company Private Limited, Holding company	1,94,80,000	19.48	1,94,80,000	19.48
0% Compulsorily convertible non-cumulative preference shares				
Shapoorji Pallonji and Company Private Limited, the Holding Company	95,00,000	950.00	95,00,000	950.00
Sashwat Energy Private Limited, subsidiary of the Holding Company	25,00,000	250.00	25,00,000	250.00

(D) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2022		31 March 2021	
	Number	% holding	Number	% holding
Equity shares				
Shapoorji Pallonji and Company Private Limited, the Holding company	1,94,80,000	66.33%	1,94,80,000	66.33%
Khurshed Daruvala, Director	97,45,293	33.17%	97,45,293	33.17%
0% Compulsorily convertible non-cumulative preference shares				
Shapoorji Pallonji and Company Private Limited, the Holding Company	95,00,000	52.70%	95,00,000	52.70%
Khurshed Daruvala, Director	60,25,000	33.43%	60,25,000	33.43%
Sashwat Energy Private Limited, subsidiary of the Holding Company	25,00,000	13.87%	25,00,000	13.87%

(E) Percentage change in promoters shareholding during the year:

Promoter name	No of shares	Percentage of Total shares	Percentage change during the year	Type of share capital	
Shapoorji Pallonji and Company Private Limited	1,94,80,000	66.33%	None	Equity Shares	
Khurshed Daruvala, Director	72,000	0%	None		
Pallon S. Mistry	72,000	0%	None		
Khurshed Y. Daruvala	97,45,293	33.18%	None		
Pervin Madan jointly with Khurshed Y. Daruvala	10	0%	None		
Kainaz K. Daruvala jointly with Khurshed Y. Daruvala	10	0%	None		
Zarine Y. Daruvala	20	0%	None		
Total	2,93,69,333				
Sashwat Energy Private Limited	25,00,000	13.87%	None		Compulsorily Convertible Preference shares
Shapoorji Pallonji And Company Private Limited	95,00,000	52.70%	None		
Khurshed Y. Daruvala	60,25,000	33.43%	None		
Total	1,80,25,000				

(F) Shares reserved for issue under options and contracts / commitments

	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Compulsorily convertible non-cumulative preference shares 10,000,000 equity shares of Rs 10 each	1,00,00,000	10.00	1,00,00,000	10.00
Compulsorily convertible non-cumulative preference shares 50,100,000 equity shares of Rs 10 each	5,01,00,000	50.10	5,01,00,000	50.10
Compulsorily convertible non-cumulative preference shares 15,000,000 equity shares of Rs 10 each	1,50,00,000	15.00	1,50,00,000	15.00



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

24 (a) Other equity

	Note	31 March 2022	31 March 2021
Capital redemption reserve	(i)	50.00	50.00
Securities premium account	(ii)	561.45	561.45
General reserve	(iii)	13.39	13.39
Legal reserve	(iv)	1.12	1.11
Retained Earnings	(v)	(2,465.82)	(1,876.84)
Others			
Foreign currency translation reserve	(vi)	(107.74)	(37.92)
Remeasurements of defined benefit liability	(vii)	1.15	(0.96)
Other Reserve	(viii)	3.71	3.71
	(ix)		
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		1.01	-
Loan towards equity	(x)	-	2.37
		(1,941.73)	(1,283.70)

Particulars	31 March 2022	31 March 2021
(i) Capital redemption reserve		
Balance as at the beginning of the year	50.00	50.00
Add: Transferred from retained earnings	-	-
Balance as at the end of the year	50.00	50.00
(ii) Securities premium reserve		
Balance as at the beginning of the year	561.45	561.45
Add: Additional during year	-	-
Balance as at the end of the year	561.45	561.45
(iii) General reserve		
Balance as at the beginning of the year	13.39	13.39
Add: Additional during year	-	-
Balance as at the end of the year	13.39	13.39
(iv) Legal reserve		
Balance as at the beginning of the year	1.11	1.11
Net movements during the year	0.01	-
Balance as at the end of the year	1.12	1.11
(v) Retained Earnings		
Opening balance	-	-
Add: Loss during the year	(1,876.84)	(846.08)
Acquisition of non-controlling interests without a change in control (refer note 59)	(559.59)	(1,030.67)
Transactions with non-controlling interests (refer note 59)	(27.04)	-
Other movements during the year	(2.73)	-
Share of OCI of joint ventures, net of tax	0.52	(0.08)
Reversal of gain of subsidiary	(0.14)	-
Balance as at end of the year	(2,465.82)	(1,876.84)
Others:		
(vi) Foreign currency translation reserve		
Opening balance	(37.92)	(75.83)
Less: Reversal of gain of subsidiary#	-	(0.00)
Add: Exchange differences in translating the financial statements of foreign operations	(69.82)	37.91
Less: Other movements	-	-
Balance as at the end of the year	(107.74)	(37.92)
(vii) Remeasurements of defined benefit liability		
Opening balance	(0.96)	(1.64)
Add: Other comprehensive income arising from re-measurement of defined benefit obligation, net of tax	2.11	0.60
Other adjustments	-	0.08
Balance as at the end of the year	1.15	(0.96)

Value less than Rs. 0.01 crore



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

24 (a) Other equity (Continued)

Particulars	31 March 2022	31 March 2021
(viii) Other Reserve		
Opening Balance	3.71	3.01
Add: Addition during the year **	-	0.70
Balance as at the end of the year	3.71	3.71
(ix) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		
Opening Balance	-	-
Add: Addition during the year	1.01	-
Balance as at the end of the year	1.01	-
(x) Loan towards equity		
Balance as at the beginning of the year	2.37	(0.00)
Add: Addition during the year	-	2.37
Less: Deletions during the year	-	-
Less: Reclassifications during the year	-	-
Other movements	(2.37)	-
Balance as at the end of the year	-	2.37

(i) Capital redemption reserve

Capital Redemption Reserve is created out of profit available for distribution towards redemption of preference shares. This reserve can be used for the purpose of issue of bonus shares.

(ii) Securities premium account

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 (the Act). This represents the Group's share in the share premium reserve of a subsidiary, STC Power S.r.l.

(iii) General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(iv) Legal Reserve

Legal reserve is created out of net profits of subsidiary companies, in accordance with the Law No.11 of 2015 relating to Commercial Companies Law of Qatar and in accordance with laws and regulations applicable in Italy.

In case of Legal reserve arising from Qatar, 10% of net income for the year is to be transferred to legal reserve and in case of Italy, 5% of net income for the year 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% for Qatar and 20% for Italy of the share capital. The reserve is not available for distribution except in circumstances as stipulated in the said laws.

(v) Retained earnings

Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(vi) Foreign currency translation reserve

These comprise of all exchange differences arising from translation of financial statements of foreign operations.

(vii) Remeasurements of defined benefit liability

Remeasurements of defined benefit plans comprises actuarial gains and losses on gratuity and other overseas defined benefit plan.

(viii) Other Reserve**

Other Reserves pertains to Share of other comprehensive income in joint venture, to the extent to be reclassified to profit or loss.

(ix) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

24 (b) Perpetual Loan

Particulars	31 March 2022	31 March 2021
Opening Balance	-	-
Add: Addition during the year *	958.21	-
Balance as at the end of the year	958.21	-

*The Company had acquired loans from its Promoter and Promoter Group Companies ("Lender"). The aggregate outstanding balance of the loans as at 31 March 2022, are as under:

Party Name (Lender)	Shapoorji Pallonji and Company Private Limited	Evangelos Ventures Private Limited
Loan Amount (Rs. in crore)	277.64	634.63
Interest Outstanding up to March 2021 (Rs. in crore)	45.94	Nil
Total Amount (Rs. in crore)	323.58	634.63

The above loans were converted into perpetual loans, effective 01 April, 2021, vide the resolutions passed by the Board of Directors of Evangelos Ventures Private Limited and Shapoorji Pallonji and Company Private Limited, at their meetings held on 31 March 2021 and 30 March 2022, respectively.

The Loans shall be perpetual in nature, with no maturity or a defined tenure. The provisions of the Loan Agreement state that the Borrower may, at its discretion, repay a part or all of the outstanding amounts (including any interest due thereon). The Lender shall not have any right whatsoever to cause or require the Borrower to repay any part or all of the amounts outstanding under the Arrangement at any point in time.

The interest on the outstanding amount under the Arrangement shall be payable and at the end of each financial year, calculated on the principal amount of the outstanding amount under the Arrangement up to 11.50% per annum. The payment of interest shall be subject to any surplus cash being available with the Borrower and at the sole discretion of the Borrower, irrespective of the fact that any surplus cash is available with the Borrower.

Further to the resolutions passed by the Board of Directors of the Company, at their meetings held on 01 April, 2021 and 07 March, 2022, respectively, no interest shall accrue and be payable for the Financial Year ending 31 March, 2022, on both the perpetual loans.

The said interest shall be on a non-cumulative basis and therefore, the Borrower at its sole discretion can pay the interest for preceding financial years and/or that particular financial year.

24 (c) Non Controlling Interest

Particulars	31 March 2022	31 March 2021
Opening Balance	0.07	4.04
Add: Loss during the year attributable to NCI (Including OCI)	(5.94)	(3.97)
Changes in ownership interests :		
Acquisition of a subsidiary with Non-controlling interests (refer note 59)	(27.04)	-
Acquisition of non-controlling interests without a change in control (refer note 59)	27.04	-
Transactions with non-controlling interests (refer note 59)	2.73	-
Reclassified to borrowings (refer note 27 (b))	(17.47)	-
Other movements	0.30	-
Balance as at the end of the year	(20.31)	0.07



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
25 Non-current borrowings		
Secured		
Term Loan from Others (refer note 1 below)	750.00	-
Term Loan from Banks		
Banks (refer note 2 below)	-	14.97
	<u>750.00</u>	<u>14.97</u>
Unsecured Loans from banks (refer note 3 below)	40.43	-
Total non-current borrowings	<u>790.43</u>	<u>14.97</u>

Note: 1

Loan from Reliance Ventures Limited amounting to Rs.750 crore carry an interest rate of 10.5% and are repayable at the expiry of 2 years from the draw down date. Out of Rs. 750 crore, Rs. 410 crore are secured by pledge over the collateral shares and Rs. 340 crore are secured by mortgage of Secured assets i.e., exclusive charge on unit no. 1401 to 1412, 14th floor, Universal Majestic, PL Lokhande Marg, Chembur, Mumbai and 2135.4 sq. meters of non agricultural land together with buildings and structures standing thereon held by SPCPL located at Arthur Bunder Road, Colaba, Mumbai.

Note: 2

Term Loan from ICICI Bank Limited of Rs. 60 crores is repayable over a period of three years carrying a moratorium of one year commencing from the date of drawdown. The loan has been fully availed is repayable in 8 quarterly instalments. The loan carries interest based on one year Marginal Cost of Lending Rate (MCLR) 7.30% plus Spread 3.10% (adjustable annually). The loan is secured by exclusive charge on commercial office unit no. 1301-1312, 13th Floor along with 55 car parkings located in Universal Majestic, P L Lokhande Marg, Chembur, Mumbai.

Note: 3

Pursuant to acquisition of a subsidiary (refer note 59), the Group has loan amounting to Rs. 40.43 crore was obtained from Intesa San Paolo Bank, Italy. The loan is unsecured, carries interest rate of 2.087% per annum (2.50% plus 3 months EURIBOR rate) and is repayable on quarterly basis over a period of 72 months (including 8 months of pre-amortisation period) from the date of disbursement i.e.; 31 July 2020. 90% of the loan amount is guaranteed by the Guarantee Fund - DL 8/4/2020 nr. 43 "Covid-19 Emergency Decree".

26 Long-term provisions

	31 March 2022	31 March 2021
Provision for employee benefits		
Gratuity	16.68	20.03
Terminal benefits	10.83	9.60
Other provisions (refer note 31)		
Provision for warranty	10.25	-
Provision for contingencies	32.68	-
	<u>70.44</u>	<u>29.63</u>



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
27 Current borrowings		
<i>Secured</i>		
(a) Current maturities of long term debt (refer note 25)	14.97	29.71
(b) Loans repayable on demand		
- Cash credit loan from banks [refer note (a) and (b) below]	76.61	71.63
(c) Other Loans		
- Working capital loan from banks [refer note (a) and (e) below]	138.33	131.08
- Working capital loan guaranteed by Director (refer note (e) below)	-	-
- Buyers credit [refer note (d) below]	8.06	-
	<u>237.97</u>	<u>232.42</u>
<i>Unsecured</i>		
(a) Loans from related parties		
- From Related parties [refer note (f), (g), (h) and (i) below]	471.32	1,464.92
- Inter-corporate deposits [refer note (j) below]	58.17	54.65
(b) Loans from other than related parties		
- Working capital loan from others [refer note (k) below]	54.96	8.80
- Bank Overdraft [refer note (c) below]	2.70	2.75
(c) Unsecured Loans from banks [refer note (l) below]	5.51	-
	<u>592.66</u>	<u>1,531.12</u>
	<u>830.63</u>	<u>1,763.54</u>

The Company has obtained borrowings from banks on the basis of security of Current Assets and the quarterly returns of drawing power filed by the Company with banks are in agreement with the books of accounts maintained by the Company.

Details of the security and repayment terms:

- a. Cash credit/Working capital demand loan facility from Consortium i.e. Union Bank of India (lead bank), State Bank Of India, Yes Bank Limited, Axis Bank Limited, DBS Bank India Limited, ICICI Bank Limited, Corporation Bank, IDBI Bank Limited, IDFC First Bank Limited, RBL Bank Limited and IndusInd Bank Limited having outstanding an balance of Rs 214.73 crore (31 March 2021: Rs 182.28 crore) is secured by a first charge by way of hypothecation of all current assets, movable plant and machinery, computers, vehicles and furniture and fixtures with a carrying value of Rs. 25.28 crore (31 March 2021: Rs. 60.32 crore) as a collateral security, term deposit of Rs. 13.50 crore and pledge of 100% paid up equity shares held in the share capital of Range Consultants Private Limited, a subsidiary of the Company, ranking pari passu. Cash credit facility from the banks carries interest rate ranging from 8% to 12.50% p.a., on monthly basis on actual amount utilised, and are repayable on demand.
- b. Cash credit facility from DBS Bank Ltd. having an outstanding balance of Rs. Nil (31 March 2021: Rs. 4.50 crore) was secured by hypothecation of stocks, book debts and bills purchased under letter of credit. Cash credit facility from the bank carried interest rate of 11.05% p.a. (31 March 2021: 11.05%) on monthly basis on actual amount utilised, and are repaid during the year.
- c. Bank overdraft having an outstanding balance of Rs. 2.70 crore (31 March 2021: Rs. 2.75 crore) in case of an overseas subsidiary is unsecured and attract commercial interest rates.
- d. In the Current year, the company had availed buyers credit facility from ICICI Bank Ltd, Union Bank of India and IDBI Bank Limited having an outstanding balance of Rs. 8.06 crore (31 March 2021: Rs. Nil) with interest ranging from 125 bps to 175 bps on 6 months Libor.
- e. Working capital demand loan facility taken from DBS Bank Ltd. having an outstanding of Rs Nil (31 March 2021: Rs. 15 crore) was secured by hypothecation of stocks, book debts and current assets. The total facility amount comprises several short term loans which bears interest rate of 10.15% to 11.50% (31 March 2021: 10.15% to 11.50%) and are repaid during the year.
- f. Unsecured loans and deposits from directors, their relatives and entities over which directors and their relatives exercise control amounting to Rs. 399.50 crores (31 March 2021: Rs. 1,76.27 crores) carry an interest rate ranging from 11.50% - 12% p.a and are repayable on demand. Further, it also includes a balance of Rs. 17.47 crore reclassified from minority interest to borrowings due to surrender of minority interest in one of the subsidiary.
- g. Loan from parent company Shapoorji Pallonji & Co Pvt Ltd amounting to Rs. 277.64 crores (31 March 2021: Rs. 277.64 crores) carry an interest rate of 11.5% has been converted to perpetual loan. [refer note 24 (b)].



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

27 Current borrowings (Continued)

- h. Loans from Related parties include Rs. Nil (31 March 2021: Rs. 397.56 crores) as payable to Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited) with Interest expense of Rs. 17.36 crores (31 March 2021: Rs. 73.70 crores) and average interest rate of 14.21% (31 March 2021: 14.58%).
- i. Loan from a related party carried interest at borrowing cost of the related party plus 400bps until 30 September 2021 (2021: 8% per annum until 30 September 2020 and with effect from 01 October 2020 it was amended to borrowing cost of the related party plus 400bps). During the current year in the month of September 2021, the Parent Company repaid loan amount of Rs. 524.74 crore and adjusted the balance loan amount of Rs. 46.44 crore (31 March 2021: Rs. 549.47 crore) (including interest of Rs. 22.79 crore) against the shareholder's current account in terms of Memorandum of Undertaking (MOU) entered on 29 September 2021 between the shareholder, the Parent Company and the related party.
- j. Inter corporate deposits having an outstanding balance of Rs. 46.80 crores (31 March 2021: Rs. 47.99 crores) carries an interest rate ranging from 0% to 12% p.a. and are repayable on demand.
- k. Working capital demand loan facility taken by an overseas subsidiary from a third party having an balance amount of Rs. 54.80 (31 March 2021: Rs. 8.76 crore) is unsecured carrying an interest rate of 3% (31 March 2021: 3%) p.a and is repayable on demand.
- Pursuant to acquisition of a subsidiary (also refer note 59), the Group has loan amounting to Rs. 5.51 crore was obtained from Intesa San Paolo Bank, Italy. The loan was unsecured, carried interest rate of 2.05% per annum and has been fully repaid during the current year.

	31 March 2022	31 March 2021
- Total outstanding dues of micro enterprises and small enterprises (refer note 50)	26.58	115.47
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,216.23	1,278.42
Acceptances*	71.22	240.66
	1,314.03	1,634.55

* Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks while the Group continues to recognise the liability till settlement with the banks which are normally within a period of 120 days amounting to Rs. 71.22 crore (31 March 2021: Rs. 240.66 crore).

As at 31 March 2022, trade payables includes retention of Rs 0.81 crore (31 March 2021 : Rs 11.74 crore) relating to construction contracts in progress.

Trade Payable ageing schedule:

Particulars	Outstanding for following period from due date of payment/date of transaction						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
As on 31 March 2022:							
(i) Undisputed dues - MSME	8.34	14.37	2.86	0.95	-	0.05	26.58
(ii) Undisputed dues - Others	778.18	172.82	213.34	56.01	5.08	62.02	1,287.45
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	786.52	187.19	216.20	56.96	5.08	62.08	1,314.03
As on 31 March 2021:							
(i) Undisputed dues - MSME	60.58	48.77	5.99	0.12	-	0.01	115.47
(ii) Undisputed dues - Others	932.42	232.38	181.87	80.43	10.30	81.68	1,519.08
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	993.00	281.15	187.86	80.55	10.30	81.69	1,634.55



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
29 Other financial liabilities		
Interest accrued and due:		
- to micro enterprises and small enterprises (refer note 50)	7.73	6.62
Interest accrued and not due:		
- to others	16.31	-
Employee benefits payable	37.54	56.42
Other payables	80.30	91.07
<i>To related parties</i>		
- Other payables	30.56	27.54
Share of losses in associate (refer note 53)	18.73	37.46
	<u>191.17</u>	<u>219.11</u>
30 Other current liabilities		
<i>To related parties</i>		
Advances from customers	35.76	60.24
Billing in advance of work completed	5.26	6.59
<i>To other than related parties</i>		
Advances from customers	400.67	544.63
Billing in advance of work completed	123.12	111.92
Advance to employees	3.76	3.36
Other payables [#]	1.26	0.00
Statutory dues payable :		
- TDS payable	14.36	21.99
- Provident fund payable	3.75	6.02
- Profession tax payable	0.10	0.10
- Employees State Insurance payable	0.05	0.13
- Value added tax payable	25.01	5.07
- GST payable	3.22	2.24
	<u>616.32</u>	<u>762.30</u>

Value less than Rs. 0.01 crore



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

	31 March 2022	31 March 2021
31 Short-term provisions		
Provision for employee benefits		
Gratuity	0.92	1.08
Compensated absences	26.07	35.15
Other provisions		
Provision for liquidated damages or price discount	4.54	16.00
Provision for foreseeable loss	14.80	7.52
	<u>46.33</u>	<u>59.75</u>

Foreseeable loss:

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 consolidated statement of profit and loss.

Liquidated damages or Price discounts:

Liquidated damages or Price discounts are contractual obligations affecting the contract revenue in case of the construction 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 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 contingencies:

It represents management's best estimate of the Group's liability for costs to be incurred for completion of ongoing projects.

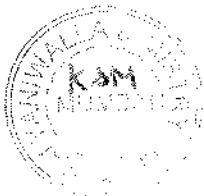
Provision for:	As at 1 April 2021	Acquisition on business combination (refer note 59)	Additions	(Reversal)	Effect of reinstatement of Foreign Currency	As at 31 March 2022
Liquidated damages / price discounts	16.00	-	1.72	(13.18)	-	4.54
	13.57	-	2.43	-	-	16.00
Foreseeable loss	7.53	-	13.95	(6.68)	-	14.80
	12.83	-	5.52	(11.02)	0.19	7.52
Provision for warranty	-	8.01	2.59	-	(0.35)	10.25
	-	-	-	-	-	-
Provision for contingencies	-	-	32.19	-	0.49	32.68
	-	-	-	-	-	-
Provision for third-party disputes	-	3.85	-	(3.85)	-	-
	-	-	-	-	-	-
<i>Previous year numbers are in italics</i>						

32 Current tax liabilities (net)

Provision for current tax [net of advance tax of Rs. 19.52 crore (31 March 2021: Rs. 53.31 crore)] (includes fringe benefits tax and wealth tax)	7.43	7.28
	<u>7.43</u>	<u>7.28</u>

Below is the movement of current tax liability:

Opening Balance	7.28	3.44
Add : Current tax expense for the year	1.87	0.79
Less : Advance tax	(1.73)	-
Other Adjustments	0.01	3.05
Closing Balance	<u>7.43</u>	<u>7.28</u>



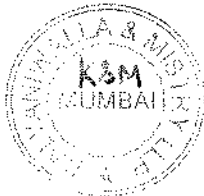
Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	Year ended 31 March 2022	Year ended 31 March 2021
33 Revenue from operations		
Sale of services		
Income from works contracts	2,333.06	2,393.00
Revenue from operation and maintenance services	238.24	253.90
Sale of products		
Sale of traded goods	7.36	15.27
Other operating income		
Sale of scrap	9.19	1.35
Export incentives	4.19	3.32
Rental income	0.15	0.34
	<u>2,592.19</u>	<u>2,667.18</u>
34 Other income		
Interest income under the effective interest method on:		
- deposits with banks	2.48	3.65
- income tax refund	4.33	11.71
- from others	4.04	6.48
- loan to related parties	6.17	5.89
- loan to employees	0.26	0.11
- retention payable / retention receivable	-	0.09
Dividend income	2.00	-
Reversal of allowance for expected credit loss on loan given to related parties	0.14	-
Reversal of provision for impairment loss on previously held investment in subsidiary	0.03	-
Supplier balances written back	11.41	16.45
Foreign exchange gain (net)	85.43	-
Insurance claim received	0.11	0.08
Profit on sale of Property, Plant & Equipments (net)	0.68	0.78
Gain on sale of subsidiary (net) (refer note 58)	1.56	-
Write back of provision for bad and doubtful debts (net)	19.71	1.26
Financial assets measured at FVTPL - net change in fair value	6.90	-
Gain on forward cover cancellation	-	0.03
Write back of provision no longer required	15.05	1.52
Gain on previously held equity interest in subsidiary (refer note 59)	10.83	-
Gain on sale of investments (net)	-	4.03
Write back of advances received	71.42	-
Gain on modification of lease	0.47	0.34
Business support services	-	0.25
Miscellaneous income	21.23	14.08
Write back of provision for foreseeable loss (net)	-	5.67
Export incentives / duty drawback	0.00	0.01
	<u>264.25</u>	<u>72.43</u>



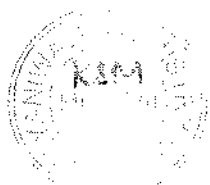
Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	Year ended 31 March 2022	Year ended 31 March 2021
35 Cost of construction materials, stores and spare parts		
Inventory of materials at the beginning of the year	18.97	28.75
Add: Purchases during the year	1,402.81	1,656.19
Less: Inventory of materials at the end of the year	4.99	18.97
	<u>1,416.79</u>	<u>1,665.97</u>
36 Purchase of traded goods		
Cost of traded goods purchased during the year	-	0.23
	<u>-</u>	<u>0.23</u>
37 Change in inventory of stock-in-trade		
Inventory of stock-in-trade at the beginning of the year	59.95	39.35
Less: Inventory of stock-in-trade at the end of the year	32.51	59.95
Increase in inventory	<u>27.44</u>	<u>(20.60)</u>
38 Direct project costs		
Communication expenses	2.22	1.12
Stores and spare parts consumed	9.41	5.56
Commission expenses	4.62	2.30
Legal and professional fees	43.59	21.12
Printing and stationery expenses	1.00	0.85
Insurance costs	23.14	15.80
Repairs and maintenance - others	18.28	14.17
Selling and marketing expenses	0.29	0.02
Traveling and conveyance expenses	11.97	11.40
Rent (refer note 4.1)	31.93	22.56
Rates and taxes	5.36	4.44
Electricity, power and fuel	4.02	2.87
Bank charges	15.68	31.13
Provision for foreseeable losses (net)	8.60	0.17
Other project overheads	5.16	4.57
Provision for warranty	9.40	-
Provision for contingencies	23.46	-
Provision for Liquidated damages	1.04	7.06
Miscellaneous expenses	60.61	60.71
	<u>279.78</u>	<u>205.85</u>
Employee benefits expense		
Salaries, wages and bonus	217.62	262.30
Contribution to provident fund and other funds	21.74	17.49
Gratuity and terminal benefits (refer note 45)	0.42	-
Staff welfare expenses	6.06	11.50
	<u>245.84</u>	<u>291.29</u>
Sub-contractor expenses	664.70	535.96
	<u>1,190.32</u>	<u>1,033.10</u>



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	Year ended 31 March 2022	Year ended 31 March 2021
39 Employee benefits expense		
Salaries, wages and bonus	220.54	209.70
Contribution to provident fund and other funds	12.12	16.06
Gratuity and terminal benefits (refer note 45)	4.67	5.14
Compensated absences	5.58	8.84
Staff welfare expenses	6.83	8.50
	<u>249.74</u>	<u>248.24</u>
40 Finance costs		
Interest expense		
- on secured loans	33.77	34.59
- on unsecured loans	24.85	0.14
- on dues of micro enterprises and small enterprises	1.24	3.78
- on income tax	0.06	0.01
- on lease liabilities (refer note 4.1)	3.73	1.38
- on amount due to related parties	50.85	193.54
- on others	10.11	15.35
- on retention receivable	0.21	1.58
- on working capital loan	0.66	1.73
- on cash credit facility	0.41	0.34
Letter of Credit - Guarantee Charges	0.08	2.35
Other borrowing costs	5.30	7.49
	<u>131.27</u>	<u>262.28</u>
41 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	18.37	24.09
Depreciation on Right-of-use assets	11.38	14.60
Amortisation of intangible assets	2.42	2.16
	<u>32.17</u>	<u>40.85</u>



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the Year ended 31 March 2022

(Currency : Indian rupees in crores)

	Year ended 31 March 2022	Year ended 31 March 2021
42 Other expenses		
Communication expenses	3.36	3.00
Stores and spare parts consumed	3.66	1.45
Commission expenses	1.20	0.06
Legal and professional fees	38.68	29.57
Printing and stationery expenses	0.57	0.71
Insurance costs	6.68	4.31
Repairs and maintenance - others	8.10	7.25
Selling and marketing expenses	0.47	1.02
Traveling and conveyance expenses	12.76	9.89
Rent (refer note 4.1)	8.06	5.56
Rates and taxes	3.67	1.66
Electricity, power and fuel	2.93	2.31
Payment to auditors	0.45	0.51
Foreign exchange loss (net)	5.66	41.94
Loss on sale of Land	1.04	-
Donation	-	0.01
Property, plant and equipment written off	6.40	-
Impairment of Goodwill and Other intangible assets i.e., customer contracts (refer note 5)	72.19	-
Bank charges	5.57	20.66
Bad debts written off	39.02	19.07
Provision for bad and doubtful debts and loans and advances (net)	84.64	155.32
Financial assets measured at fair value through profit & loss a/c - net change in fair value	-	2.18
Provision for doubtful advances to supplier of goods	0.91	-
Management support fees	0.24	0.24
Consultancy fees	0.51	0.88
Recruitment expense	0.04	0.03
Land Development charges	1.75	-
Business development expense	0.02	0.20
Loss on disposal of investments	-	2.37
Interest accrued on receivables written off	-	133.22
Writedown of contract assets	-	18.40
Sundry Balance Written off	0.03	-
Miscellaneous expenses	5.89	14.43
	314.50	476.25



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

43 Disclosure under Ind AS 115, Revenue from Contracts with Customers

The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Industrial Engineering Procurement and Construction (EPC). The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

A) Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary geographical area and the timing of revenue recognition. Disaggregated revenue with the Group's reportable geographical segments is given in the note 48.

The following sets out the disaggregation of the Group's revenue from contracts with customers based on timing of satisfaction of performance obligation:

Timing of satisfaction of performance obligations	For the year ended 31 March 2022	For the year ended 31 March 2021
At a Point in time		
Sales revenue	7.36	15.27
Contract revenue	7.65	31.54
Over time		
Contract revenue	2,325.41	2,361.45
Service revenue	238.24	253.90

B) The following table provides information about receivables, contract assets and contract liabilities from the contracts with

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Trade receivables	15	2,421.65	2,634.46
Contract assets - Other current assets	21	850.91	950.05
Contract liabilities - Advances from customer	30	564.81	723.39

C) Reconciliation of contract assets and liabilities

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract assets*		
Contract assets at the beginning of the year	950.05	221.07
Add: Acquisition through business combination (refer note 59)	22.56	-
Add: Addition during the year	3,121.56	4,342.89
Less: Transferred to trade receivables	(3,179.07)	(3,565.72)
Add: Exchange translation difference during the year	2.15	(3.23)
Less: Provision for doubtful contract assets	(58.53)	(28.09)
Less: Write-down of contract assets	-	(18.20)
Less: Other movements	(7.81)	1.33
Contract assets as at end of the year	850.91	950.05

*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.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

43 Disclosure under Ind AS 115, Revenue from Contracts with Customers (Continued)

C) Reconciliation of contract assets and liabilities (Continued)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract liabilities**		
Advance from customers		
Contract liabilities at the beginning of the year	723.39	900.12
Add: Acquisition through business combination (refer note 59)	93.23	11.89
Add: Addition during the year	334.14	201.74
Less: Revenue recognised during the year	(510.35)	(384.13)
Less: Write back of advances from customer during the year	(70.58)	-
Add: Exchange translation difference during the year	3.56	(6.23)
Less: Other movements	(8.58)	-
Contract liabilities as at end of the year	564.81	723.39

**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 31 March 2022	For the year ended 31 March 2021
Income from works contracts	2,334.78	2,395.43
<i>Adjustment on account of:</i>		
Provision for liquidated damages	(1.72)	(2.43)
Total	2,333.06	2,393.00
Revenue from operation and maintenance services	238.24	253.90
<i>Adjustment on account of:</i>		
Adjustment during the year	-	-
Total	238.24	253.90

E) Performance obligation

The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for Industrial Engineering Procurement and Construction (EPC). 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.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

43 Disclosure under Ind AS 115, Revenue from Contracts with Customers (Continued)

E) Performance obligation (Continued)

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.

F) Remaining performance obligations

The Group applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligation (Except for one foreign subsidiary) where the Group has a right to consideration from customer in an amount that corresponds directly with value to the customer of the Group's performance completed to date. Accordingly, the Group recognises revenue by an amount to which the Group has a right to invoice.

The following table includes revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially satisfied) of one foreign subsidiary:

For the year ended 31 March 2022		
Particulars	1 year	2 year
EPC business	484.93	959.18
Total	484.93	959.18

For the year ended 31 March 2021		
Particulars	1 year	2 year
EPC business	144.10	-
Total	144.10	-



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

44 Contingent liabilities and commitments

Contingent liabilities	31 March 2022	31 March 2021
(a) Claims against the Group not acknowledged as debts		
(i) Demands raised by Income tax authorities [refer note (E)]	-	0.08
(ii) Demands raised by Sales tax authorities	109.39	76.59
(iii) Demands raised by Service tax authorities	5.92	6.17
(iv) In relation to revenue contracts with customer [refer note (B) and (C) below]	71.51	2.93
(b) Bank guarantees outstanding [refer note (A)]	139.34	194.33
(c) Letter of credit [refer note (A)]	0.80	0.77
(d) Corporate guarantees outstanding	120.40	116.75
	447.36	397.62
Capital commitments	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance of Rs. 3.42 crores [31 March 2021: Rs. 3.30 Crores])	1.40	0.52
	1.40	0.52

(A) Letters of credit and bank guarantees issued by banks on behalf of the Group are secured by margin money deposits (refer Note 17). In addition, the letters of credit and bank guarantees are secured by a corporate guarantee from the Parent Company and assignment of receivables for the amounts guaranteed.

(B) The group has suspended engineering, procurement and construction agreement entered into with one of the customer on account of dispute concerning the work and payment contemplated as per the agreement. As a result the customer has claimed liquidation damages under agreement along with additional unspecified damages of approximately Rs. 12.85 Crore (31 March 2021: Rs.2.93 Crore). The Group has filed binding arbitration against the customer to recover the outstanding balance of Rs.7.33 in the year ended 31 March 2021. The matter is currently under arbitration and since the dispute is in early stage, the amount of claim, if any cannot be determined with sufficient reliability.

(C) The Group had entered into contract with a customer for engineering, procurement and construction (EPC) works in the previous years, however there were delays in completion of the project and the Group had to incur liquidation damages relevant to the EPC contract. As at the reporting date, the Group did not make liquidation damages provision of Rs. 58.66 crore (31 March 2021: Nil) considering the management is in process of entering into a settlement with the customer to not charge any additional liquidation damages and other costs for delays in completion of the project and is confident that the liability won't arise. There is no legal case filed by or against the Group in relation to this matter.

(D) In one of the subsidiaries of Sterling and Wilson International FZE, The Zakat, Tax and Customs Authority (ZATCA) has sent a "Notice of Objection" regarding their tax returns of the tax year 2015 to 2018. Authorities have demanded Rs. 30.33 Crore for the understatement of the returns submitted to ZATCA. An appeal has been submitted against the ZATCA decision for the financial years 2015 to 2018 to the Dispute Resolution Committee of the General Secretariat of Zakat, Tax and Customs Committees (GSTC). The GSTC issued their decision no. IFR-2022-604 to dismiss the case as if it has not been filed. The branch in the kingdom of Saudi Arabia has filed an appeal against the decision before GSTC- under case number 189593-2023-I. The matter is currently under arbitration and the amount of claim, if any cannot be determined with sufficient reliability.

(E) 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.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

45 Employee Benefits

Defined contribution plan:

Contribution to provident fund and other fund aggregating to Rs 33.86 crore [31 March 2021: Rs 33.55 crore] is recognised as an expense and included in 'Personnel 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 subject to maximum of Rs. 0.20 crore.

Change in the present value of the defined benefit obligation

Terminal benefits (Defined benefit plan)

In respect of the overseas subsidiaries, during the year, the Group has made provision of Rs. 1.05 crore [31 March 2021: Rs. 0.12 crore] for employees' terminal benefits on the basis prescribed under the labour laws of the respective countries in which the overseas subsidiaries operates and the same is determined based on arithmetic calculation. Accordingly, the Group has not disclosed information related to defined benefits for overseas subsidiaries in the table below.

Compensated absences (Short-term employee benefits)

Short 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.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

45 Employee Benefits (Continued)

		Gratuity	
		31 March 2022	31 March 2021
I	Reconciliation of the present value of defined benefit obligation		
	Balance at the beginning of the year	21.11	22.39
	Transferred	-	-
	Benefits paid	(6.36)	(5.39)
	Current service cost	2.63	3.47
	Past Service Cost - Vested Benefits	-	-
	Interest cost	1.41	1.54
	Liability transferred in / acquisitions	1.14	0.08
	Liability transferred out	(0.55)	(0.21)
	Actuarial (gains) losses recognised in other comprehensive income		
	- changes in demographic assumptions	(0.05)	-
	- changes in financial assumptions	(0.85)	(0.11)
	- experience adjustments	(0.89)	(0.71)
	Liabilities assumed / (settled)	-	0.05
	Balance at the end of the year	<u>17.59</u>	<u>21.11</u>
II	Amount recognised in the consolidated statement of profit and loss under employee benefits expense		
	Current service cost	2.63	3.47
	Net interest cost	1.41	1.54
		<u>4.04</u>	<u>5.01</u>
III	Remeasurement recognised in other comprehensive income		
	Actuarial gains / losses on obligation for the year	(1.74)	(0.82)
		<u>(1.74)</u>	<u>(0.82)</u>
IV	Maturity profile of defined benefit obligation		
	Within next 12 months	0.93	1.08
	Between 1 and 5 years	3.26	3.38
	Above 5 years	50.09	58.24
V	Actuarial assumptions:		
	Discount rate	6.90%	6.90%
	Salary escalation	5%-7%	5%-7%
	Employee turnover	Service < 5 : 12% -14%	Service < 5 : 12% - 14%
	Mortality tables	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)
	Weighted average duration of the projected benefit obligation	15 years	15 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 period, while holding all other assumptions constant.		
		Defined Benefit Plan	
		31 March 2022	31 March 2021
	Defined Benefit Obligation - Discount rate + 100 basis points	(1.92)	(2.37)
	Defined Benefit Obligation - Discount rate - 100 basis points	2.30	2.86
	Defined Benefit Obligation - Salary escalation rate + 100 basis points	1.93	2.48
	Defined Benefit Obligation - Salary escalation rate - 100 basis points	(1.74)	(2.18)
	Defined Benefit Obligation - Employee turnover + 100 basis points	0.60	0.58
	Defined Benefit Obligation - Employee turnover - 100 basis points	0.69	(0.68)
	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.		

Employee terminal benefits payable by overseas subsidiary of Rs. 1.05 crore is charged under defined benefit plan in Consolidated statement of profit and loss.

Compensated absences

Compensated absences for employee benefits of Rs 5.58 crore [31 March 2021: Rs 8.84 crore] expected to be paid in exchange for the services recognised as an expense during the year.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

46 Disclosure pursuant to section 186 of the Companies Act, 2013

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:

A. Details of investments made by the Company as on 31 March 2022

Investments in equity shares

Name of the entity	As at 01 April 2021	Investment during the year	Redeemed/ Sold during the year	Other Adjustments	As at 31 March 2022
Sterling and Wilson Enel X e-Mobility Pvt Ltd	-	4.27	-	-	4.27
Monjin Interviews Private Limited	19.91	-	-	8.79	28.70
Crompton Greaves Consumer Electrical Limited#	0.00	-	-	-	0.00
CG Power & Industrial Solution Limited#	0.00	-	-	-	0.00
Ruchi Soya Limited#	0.00	-	-	-	0.00
Tata Consultancy Services Limited	0.39	-	-	0.07	0.46
Western India Sugar & Chemical Industries Limited#	0.00	-	-	(0.00)	-
Mid East India Limited#	0.00	-	-	(0.00)	-
Montari Leather Limited#	0.00	-	-	(0.00)	0.00
Otoklin Plants and Equipment's Limited#	0.00	-	-	(0.00)	0.00
SIV Limited (South India Viscose Limited)#	0.01	-	-	(0.01)	(0.00)
Sudhiti Hosiery Limited#	0.01	-	-	(0.01)	(0.00)
Sterling and Wilson Power Solutions LLC	24.92	-	-	-	24.92
Arshiya Limited	-	-	-	-	-
	0.19	-	0.19	-	-

* previous year numbers are in italics

corresponding values are less than Rs. 0.01 crore

Investment in preference shares

Name of the entity	As at 01 April 2021	Investment made during the year	Redeemed during the year	Other adjustments	As at 31 March 2022
Sterling Generators Private Limited	50.46	-	-	(1.97)	48.49
	53.56	-	-	(3.09)	50.46

* previous year numbers are in italics

Investment in debentures

Name of the entity	As at 01 April 2021	Investment made during the year	Redeemed during the year	Other adjustments	As at 31 March 2022
Western India Sugar & Chemical Industries Limited#	0.00	-	-	-	0.00
	0.00	-	-	-	0.00

* previous year numbers are in italics

Value less than Rs. 0.01 crore



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

46 Disclosure pursuant to section 186 of the Companies Act, 2013 (Continued)

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 follows:

A. Details of investments made by the Company as on 31 March 2022 (Continued)

Investment in mutual fund units

Name of the entity	As at 01 April 2021	Investment made during the year	Redeemed during the year	Other adjustments	As at 31 March 2022
Union Long Bond Growth Fund	0.30	-	-	0.01	0.31
	0.28	-	-	0.02	0.30
Reliance Liquid Fund - Treasury Plan - Growth Option	-	-	-	-	-
	0.02	-	(0.02)	-	-

* previous year numbers are in Italics

Details of loans given by the Company are as follows:

Name of the entity	As at 01 April 2021	Loans Transferred	Loans given during the year	Repaid during the year (including foreign exchange adjustment)	Interest Income for the year (net of TDS)	Foreign exchange during the year	As at 31 March 2022
Sterling & Wilson Solar FZCO (refer note 1 below)	43.23	(46.47)	-	-	1.89	1.36	-
	53.48	-	-	(15.40)	3.67	1.47	43.23
Transtel Utilities Ltd, UK (refer note 2 below)	8.94	-	-	-	0.75	(0.14)	9.55
	7.56	-	-	-	0.70	0.68	8.94

* previous year numbers are in Italics

Note 1: Sterling & Wilson Solar FZCO

Purpose of utilization of loan given to the entities	Working Capital
Loan repayment terms	Repayable on demand
Rate of Interest	7.5% - 11.89% p.a.

Note 2: Transtel Utilities Ltd, UK

Purpose of utilization of loan given to the entities	Working Capital
Loan repayment terms	Repayable on demand
Rate of Interest	8.5% p.a.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

47 Corporate Social Responsibility

The Group has constituted 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 parent company. None of the Indian subsidiaries qualify for CSR contribution, based on threshold prescribed in the Act.

Particulars	31 March 2022		Total
	In cash	Yet to be paid in cash	
A. Gross amount required to be spent by the Company during the year	-	-	-
B. Amount spent during the year ended 31 March 2022	-	-	-
<hr/>			
Particulars	31 March 2021		Total
	In cash	Yet to be paid in cash	
A. Gross amount required to be spent by the Company during the year	-	-	-
B. Amount spent during the year ended 31 March 2021	-	-	-
<hr/>			

48 Segment reporting

A. Basis for segmentation

The Group is engaged in the business of Mechanical, Electricals and Plumbing and Fire-fighting. In accordance with Ind AS 108 "Operating Segments", the Group has determined its business segments as "Mechanical, Electricals and Plumbing and Fire-fighting". The Group's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on an aggregation of financial information for Mechanical, Electricals and Plumbing and Fire-fighting. As the Group's business activity falls within a single business segment viz. 'Mechanical, Electricals and Plumbing and Fire-fighting', the consolidated financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

B. Geographical information

The geographic information analyses the Group'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	31 March 2022	31 March 2021
India	1,893.32	1,819.93
Outside India	698.87	847.25
	<u>2,592.19</u>	<u>2,667.18</u>

b) Non-current assets (other than financial instruments and deferred tax assets)

Particulars	31 March 2022	31 March 2021
India	247.41	241.45
Outside India	111.64	23.05
	<u>359.05</u>	<u>264.50</u>

c) Information about major customers

Revenue from one customer of the Group is Rs. Nil (31 March 2021: Rs. Nil) which is more than 10% of the Group's total revenue.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

49 Earnings per share

Particulars	31 March 2022	31 March 2021
Basic earnings per share		
Numerator:		
(Loss) after tax attributable to equity shareholders (Rs. in crore)	(559.59)	(1,030.67)
Denominator:		
Weighted average number of equity shares outstanding during the year		
Number of equity shares at the beginning of the year	2,93,69,333	2,93,69,333
Effect of fresh issue of shares	-	-
Weighted average number of equity shares outstanding during the year (based on date of issue of shares) (A)	2,93,69,333	2,93,69,333
Effect of compulsory convertible preference shares* (B)	7,51,00,000	6,61,82,192
Adjusted weighted average number of equity shares outstanding during the year (based on date of issue of shares and compulsory convertible preference shares) [(A) + (B)]	10,44,69,333	9,55,51,525
Basic and diluted earnings per share (Rs)	(53.56)	(107.87)
Face value per share	10.00	10.00

*Adjusted weighted average number of equity shares include effect of compulsory convertible preference shares that will be converted by its holder into four/five equity shares of par value Rs. 10 each. [refer note 23(B)]. Accordingly, the compulsory convertible preference shares have been considered for basic EPS computation based on Ind AS 33 guidance.

50 Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 02 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 given below:

Particulars	31 March 2022	31 March 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal (refer note 28)	26.58	115.47
- Interest (refer note 29)	7.73	6.62
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
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 MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	7.73	6.62
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

51 Related party disclosures

51.1 Related party and their relationships

Category of related party

1) Holding company	Shapoorji Pallonji and Company Private Limited
2) Subsidiaries, direct and indirect holding	Sterling and Wilson International FZE Sterling and Wilson Cogen Solutions AG Sterling and Wilson Co-Gen Solutions Private Limited (w.e.f. 03 August 2020) Sterling and Wilson Middle East WLL Sterling and Wilson Nigeria FZE (w.e.f. 30 April 2020) Sterling & Wilson Nigeria Limited Range Consultants Private Limited Sterling and Wilson Security Systems Private Limited Enrich-SWPL JV GCO Australia Pty. Limited Sterling and Wilson Middle East Electromechanical LLC, Dubai Sterling and Wilson Power Systems Inc. STC Power S.r.l. (w.e.f. 13 May 2021) Sterling and Wilson-JINDUN Consortium Sterling and Wilson Middle East Electromechanical (Bahrain) WLL Sterling and Wilson Middle East Sanitation, Electrical, Cooling & Conditioning Contracting LLC, Kuwait Sterling and Wilson Cogen Solutions LLC Sterling and Wilson Australia Pty. Limited (disposed off w.e.f. 01 April 2021)
3) Fellow subsidiaries with whom transactions have been entered in current/previous year	Esterlina Solar Engineer Private Limited Eureka Forbes Limited Evangelos Ventures Private Limited Forvol International Service Limited Global Infra FZCO Larsen & Toubro Limited – Shapoorji Pallonji and Company Limited – Joint Venture Sashwat Energy Private Limited Shapoorji Pallonji Lanka Private Limited Shapoorji Pallonji Mid East LLC Shapoorji Pallonji Nigeria FZE Shapoorji Pallonji Nigeria Limited SP Fabricators Private Limited Sterling and Wilson International Solar FZCO Sterling and Wilson Renewable Energy Limited (formerly Sterling and Wilson Solar Limited) Sterling Generators Private Limited (formerly Sterling and Wilson Powergen Private Limited) Sterling and Wilson Powergen FZE, U.A.E Shapoorji Pallonji Qatar W.L.L, Qatar Relationship Properties Private Limited S. D. Corporation Private Limited GCO Solar Sterling and Wilson Australia
4) Joint Ventures	Co.Stell S.r.l. P.T.C. S.a.s. di Barzanti Massimo Sterling and Wilson Enel X e-Mobility Private Limited (w.e.f. 19 July 2021) STC Power S.r.l. (up till 12 May 2021)
5) Associates	Sterling and Wilson Power Solutions LLC



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

51 Related party disclosures

51.1 Related party and their relationships

Category of related party

51.1 Related party and their relationships (continued)

6) Key Management Personnel	Zarine Y Daruvala, Director Khurshed Y. Daruvala, Director Pallon Shapoor Mistry, Director Ravi Ananthakrishnan, Director (upto 22 January 2022) Parameshwar Hegde, CFO K. P. Hariharan, Company Secretary
7) Relatives of Key Management Personnel	Mrs. Kainaz Khurshed Daruvala Ms. Delna Khurshed Daruvala Mr. Jehan Khurshed Daruvala Mr. Farhad Homi Unwalla Zenobia Farhad Unwalla
8) Entities over which key managerial person or their relatives exercise control	Delsys Infotech Private Limited, Sterling and Wilson Energy Systems Private Limited Delsys FZCO Sterling and Wilson Services Private Limited Sterling Viking Power Private Limited Transtel Utilities Limited, UK Transtel Utilities Private Limited
9) Entities over which Holding Company exercise significant influence	Larsen & Toubro Limited – Shapoorji Pallonji and Company Ltd. Joint Venture S. D. Corporation Private Limited



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Follow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
1	Remuneration	-	-	0.24	1.42	-	-	4.97	2.91	-	-	5.21	4.33
2	Employee benefits	-	-	0.10	0.06	-	-	0.02	0.11	-	-	0.12	0.21
3	Purchases of construction materials	-	-	35.64	50.41	-	-	11.87	1.29	-	-	47.51	51.69
4	Receiving of services	2.23	0.24	3.25	3.06	-	-	4.80	0.91	-	-	10.28	4.21
5	Income from works contracts	31.96	48.25	30.03	47.35	-	-	-	-	-	-	61.99	96.42
6	Revenue from operation and maintenance services	-	-	-	-	-	-	0.07	-	-	-	0.07	-
7	Rental income	-	-	0.21	0.28	-	-	-	-	-	-	0.21	0.28
8	Interest income	-	-	4.33	3.67	1.09	2.36	0.75	0.70	-	-	6.17	6.74
9	Rental expenses	-	-	-	-	-	-	7.78	7.77	-	-	7.77	7.77
10	Interest expenses	5.29	45.82	41.51	130.49	0.28	0.52	3.77	16.69	-	-	50.85	193.51
11	Management support fees	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
12	Reimbursement of expenses	-	0.30	4.32	2.22	-	-	-	-	-	-	4.32	2.52
13	Interim dividend (on preference shares and equity shares)	-	-	2.00	-	-	-	-	-	-	-	2.00	-
14	Short-term borrowings obtained	-	131.00	-	-	-	-	1,709.94	102.70	-	-	1,709.94	233.70
15	Short-term borrowings repaid	-	225.23	397.56	178.52	-	-	882.05	125.24	-	-	1,249.61	528.99
16	Advance received from customers	0.46	2.46	-	-	-	-	-	-	-	-	0.46	2.46
17	Guarantee Commission	-	-	0.94	-	-	-	-	-	-	-	0.94	-
18	Loans given during the year	-	-	-	0.13	-	-	-	-	-	-	-	0.13
19	Loans repaid during the year	-	-	-	14.91	-	-	-	-	-	-	-	14.91
20	Other income	-	-	5.25	7.05	-	-	-	-	-	-	5.25	7.05
21	Recovery towards expenses and others	-	-	12.36	28.50	-	-	-	-	-	-	12.36	28.50
22	Other expenses	-	-	1.76	3.08	-	0.48	-	-	-	-	1.76	3.57
23	Letter of credits issued	-	-	0.08	-	-	-	-	-	-	-	0.08	-
24	Billing in advance of work completed	5.26	6.52	-	0.08	-	-	-	-	-	-	5.26	6.59
25	Advance from customers	23.44	54.68	7.32	12.19	-	-	-	-	-	-	35.76	68.99
26	Trade receivables	24.41	27.76	173.78	172.52	0.72	0.47	-	-	-	-	198.92	204.56
27	Advances to supplier	-	-	1.82	5.77	-	-	-	-	-	-	1.82	5.77
28	Gross amount due from customer	-	30.23	-	2.78	-	-	-	-	-	-	-	33.01
29	Trade payables	40.37	39.42	46.84	105.50	-	-	14.75	1.83	-	-	101.96	146.75



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
30	Short-term borrowings	11.13	277.64	52.36	405.98	-	0.50	399.49	201.69	-	-	462.98	885.32
31	Other receivables	-	-	6.08	24.87	-	-	12.79	18.66	-	-	18.86	43.53
32	Loans given outstanding	-	-	2.58	39.68	15.15	12.65	68.46	15.40	-	-	86.18	67.73
33	Loans towards Equity	-	-	-	19.73	-	-	-	-	-	-	-	19.73
34	Other payables	-	-	29.78	571.10	2.02	5.95	-	-	-	-	31.80	577.04
35	Preference share capital issued	-	200.00	-	-	-	-	1.61	100.00	-	-	-	300.00
36	Interest Receivable	-	-	-	5.74	4.24	3.56	-	0.87	-	-	5.84	10.17
37	Recoverable expenses	-	-	-	-	-	-	7.00	9.27	-	-	18.22	61.72
37	Interest payable	11.23	52.40	-	0.04	-	-	-	0.77	-	-	-	0.77
38	Rent payable	-	-	-	-	-	-	-	-	-	-	-	-
39	Sale of traded goods	-	-	0.02	-	-	-	-	-	-	-	0.02	-
40	Unbilled revenue	18.45	-	0.31	3.24	-	-	-	-	-	-	18.76	3.24
41	Intercompany loans/ deposits taken	-	-	-	6.50	-	-	-	-	-	-	-	6.50
42	Sale of intangible asset	-	-	-	6.20	-	-	-	-	-	-	-	6.20
43	Bank guarantees outstanding	-	-	-	-	-	78.18	-	-	-	-	-	78.18
44	Bank Charges	-	-	0.03	15.48	-	-	-	-	-	-	0.03	15.48
45	Intercompany loans/ deposits repaid	-	-	1.19	10.96	2.08	2.46	-	-	-	-	3.27	13.43
46	Intercompany loans/ deposits given	-	-	0.57	6.07	-	-	-	-	-	-	0.57	6.07
47	Sale of services	-	-	0.11	2.57	-	-	-	-	-	-	0.11	2.57
48	Professional fees	-	-	0.21	0.64	-	-	-	-	-	-	0.21	0.64
49	Business support services	-	-	-	-	-	-	-	0.56	-	-	-	0.56
50	Reimbursement of expenses recoverable	-	-	2.52	-	-	-	-	-	-	-	2.52	-
51	Outstanding intercompany loans/ deposits payab	46.00	46.00	-	1.19	-	-	0.80	-	-	-	46.80	47.19
52	Outstanding intercompany loans/ deposits receiv	-	-	-	-	-	9.00	-	-	-	-	-	9.00
53	Purchase of shares	-	-	-	-	-	-	-	5.00	-	-	-	5.00
54	Borrowings transferred to Perpetual Loan	277.64	-	634.63	-	-	-	-	-	-	-	912.27	-
55	Interest payable transferred to Perpetual Loan	45.94	-	-	-	-	-	-	-	-	-	45.94	-
56	Investment in Joint Ventures	-	-	-	-	20.29	-	-	-	-	-	20.29	-
57	Interest Receivable transferred	-	-	(7.81)	-	-	-	-	-	-	-	(7.81)	-
58	Expenses incurred on behalf of the Company	-	-	0.01	-	-	-	-	-	-	-	0.01	-



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
1	Remuneration											
	Mr. Parameshwar Hegde	-	-	-	-	-	-	1.00	0.64	-	-	1.00
	Mr. Neville Madan	-	-	-	-	-	-	-	0.70	-	-	0.70
	Mrs. Zarine Y Daruvala	-	-	-	-	-	-	1.88	0.30	-	-	1.88
	Mr. K. P. Harilalan	-	-	-	-	-	-	0.27	0.22	-	-	0.27
	Mr. Ravi Anantakrishnan (wef 10 February 2020)	-	-	-	-	-	-	1.83	1.05	-	-	1.83
	GCO Solar	-	-	0.24	1.42	-	-	-	-	-	-	0.24
2	Employee Benefits*											
	Mr. Neville Madan	-	-	-	-	-	-	-	0.06	-	-	0.06
	Mrs. Zarine Y Daruvala	-	-	-	-	-	-	0.02	0.05	-	-	0.02
	Sterling and Wilson Power Solutions LLC	-	-	-	-	0.04	-	-	-	-	-	0.04
	Sterling and Wilson Powergen FZE	-	-	0.10	0.06	-	-	-	-	-	-	0.10
3	Purchases of construction material											
	Sterling Generators Private Limited	-	-	22.43	50.43	-	-	-	-	-	-	22.43
	Sterling and Wilson Renewable Energy Ltd	-	-	0.95	-0.05	-	-	-	-	-	-	0.95
	Sterling Viking Power Private Limited	-	-	-	-	-	-	0.13	0.05	-	-	0.13
	Eureka Forbes Limited	-	-	-	0.03	-	-	-	-	-	-	0.03
	Delsys Infotech Private Limited	-	-	-	-	-	-	11.74	1.24	-	-	11.74
	Sterling & Wilson International FZCO	-	-	12.25	-	-	-	-	-	-	-	12.25
4	Receiving of services											
	Shanooji Pallooji and Company Private Limited	2.23	0.24	-	-	-	-	-	-	-	-	2.23
	Sterling and Wilson Renewable Private Limited	-	-	0.84	0.49	-	-	-	-	-	-	0.84
	Sterling Generators Private Limited	-	-	1.63	2.25	-	-	0.03	-	-	-	1.63
	Sterling Viking Power Private Limited	-	-	-	-	-	-	1.00	0.91	-	-	1.00
	Sterling and Wilson Services Private Limited	-	-	-	0.31	-	-	-	-	-	-	0.31
	Forvol International Services Limited	-	-	0.74	0.01	-	-	-	-	-	-	0.74
	Eureka Forbes Limited	-	-	-	-	-	-	-	-	-	-	-
	Sterling and Wilson Energy Systems Private Limited	-	-	-	-	-	-	2.74	-	-	-	2.74
	Sterling & Wilson International FZCO	-	-	0.03	-	-	-	-	-	-	-	0.03
	Transiel utilities Private Limited	-	-	-	-	-	-	0.38	-	-	-	0.38
	Delsys Infotech Private Limited	-	-	-	-	-	-	0.65	-	-	-	0.65



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

St. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
5	Income from works contracts												
	Shapoorji Pallonji and Company Private Limited	31.96	48.25	-	-	-	-	-	-	-	-	31.96	48.25
	GCO Solar	-	-	-	1.52	-	-	-	-	-	-	-	1.52
	GLOBAL JN-RA FZCO	-	-	0.09	0.98	-	-	-	-	-	-	0.09	0.98
	Shapoorji Pallonji Mid East LLC	-	-	15.98	29.60	-	-	-	-	-	-	15.98	29.60
	Relationship Properties Private Limited	-	-	(0.55)	(0.53)	-	-	-	-	-	-	(0.55)	(0.53)
	Sterling Generators Private Limited	-	-	-	0.13	-	-	-	-	-	-	-	0.13
	Shapoorji Pallonji Nigeria Limited	-	-	1.27	6.96	-	-	-	-	-	-	1.27	6.96
	Shapoorji Pallonji Nigeria FZE	-	-	-	0.19	-	-	-	-	-	-	-	0.19
	Shapoorji Pallonji Qatar WLL	-	-	2.08	1.67	-	-	-	-	-	-	2.08	1.67
	S. D. Corporation Private Limited	-	-	-	2.55	-	-	-	-	-	-	-	2.55
	Shapoorji Pallonji Lanka Private Limited	-	-	11.13	4.30	-	-	-	-	-	-	11.13	4.30
	Sterling and Wilson Power Solutions LLC	-	-	-	-	-	0.82	-	-	-	-	-	0.82
	Sterling and Wilson Renewable Energy Ltd	-	-	0.04	-	-	-	-	-	-	-	0.04	-
6	Revenue from operation and maintenance services												
	Mr Kharshad Y Daruvala	-	-	-	-	-	-	0.07	-	-	-	-	0.07
7	Rental Income												
	Sterling Generators Private Limited	-	-	-	0.04	-	-	-	-	-	-	-	0.04
	Sterling and Wilson International Solar FZCO	-	-	0.15	0.14	-	-	-	-	-	-	0.15	0.14
	Sterling & Wilson Power-Gen FZE	-	-	0.06	0.10	-	-	-	-	-	-	0.06	0.10
8	Interest Income												
	Co.Stell S.r.l	-	-	-	-	0.41	1.52	-	-	-	-	0.41	1.52
	Sterling and Wilson International Solar FZCO	-	-	1.89	3.67	-	-	-	-	-	-	1.89	3.67
	Transel Utilities Limited, UK	-	-	-	-	-	-	0.75	0.70	-	-	0.75	0.70
	Transel Utilities FZCO	-	-	2.40	-	-	-	-	-	-	-	2.40	-
	Sterling & Wilson Australia Pty Limited	-	-	0.05	-	-	-	-	-	-	-	0.05	-
	Sterling and Wilson Power Solutions LLC	-	-	-	-	0.68	0.85	-	-	-	-	0.68	0.85

*Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued) for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
9	Rental expenses												
	Transiel Systems Private Limited	-	-	-	-	-	-	7.54	7.53	-	-	7.54	7.53
	Delays Infotech Private Limited	-	-	-	-	-	-	0.24	0.24	-	-	0.24	0.24
10	Interest expenses												
	Shapoorji Pallonji and Company Private Limited	5.29	45.82	-	-	-	-	-	-	-	-	5.29	45.82
	Mr Khurshed Y Daruvala	-	-	-	-	-	-	-	10.23	-	-	-	10.23
	Dehla K Daruvala	-	-	-	-	-	-	-	0.08	-	-	-	0.08
	Mrs Kamaz K Daruvala	-	-	-	-	-	-	1.66	0.58	-	-	1.66	0.58
	Farhad Honsi Linwalla	-	-	-	-	-	-	0.01	-	-	-	0.01	-
	Delays Infotech Private Limited	-	-	-	-	-	-	-	0.92	-	-	-	0.92
	Mrs Zarine Y Daruwall	-	-	-	-	-	-	0.81	0.25	-	-	0.81	0.25
	Jehan K Daruwalla	-	-	-	-	-	-	1.22	0.15	-	-	1.22	0.15
	Sterling and Wilson Power Solutions LLC	-	-	-	-	0.28	0.52	-	-	-	-	0.28	0.52
	Sterling & Wilson Power-Gen FZE	-	-	1.33	1.35	-	-	-	-	-	-	1.33	1.35
	Sterling and Wilson International Solar FZCO	-	-	22.79	54.61	-	-	-	-	-	-	22.79	54.61
	Sterling and Wilson Energy Systems Private Limited	-	-	-	-	-	-	-	2.50	-	-	-	2.50
	Sterling and Wilson Renewable Energy Ltd	-	-	17.36	73.70	-	-	-	-	-	-	17.36	73.70
	Transiel utilities Private Limited	-	-	-	0.10	-	-	0.06	1.96	-	-	0.06	2.06
	Eureka Forbes Limited	-	-	0.02	0.03	-	-	-	-	-	-	0.02	0.03
	Sterling Generators Private Limited	-	-	0.02	0.61	-	-	-	-	-	-	0.02	0.61
11	Management support fees												
	Pioneer Advanced	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
12	Reimbursement of expenses												
	Shapoorji Pallonji and Company Private Limited	-	0.30	-	-	-	-	-	-	-	-	-	0.30
	Sterling and Wilson Renewable Energy Ltd	-	-	4.31	1.50	-	-	-	-	-	-	4.31	1.50
	GCO Solar	-	-	0.01	0.72	-	-	-	-	-	-	0.01	0.72
13	Interim dividend (on preference shares and equity shares)												
	Sterling Generators Private Limited	-	-	2.00	-	-	-	-	-	-	-	2.00	-



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
14 Short-term borrowings obtained												
	Shapoorji Pallonji and Company Private Limited	-	131.00	-	-	-	-	-	-	-	-	131.00
	Mr Khurshed Y Daruvala	-	-	-	-	-	-	33.25	-	-	-	6.85
	Mrs Zarine Y Daruvala	-	-	-	-	-	-	-	-	-	-	7.05
	Deha K Daruvala	-	-	-	-	-	-	-	-	-	-	1.70
	Mrs Kainaz K Daruvala	-	-	-	-	-	-	-	-	-	-	15.10
	Ferbhad Homi Uthwala	-	-	-	-	-	-	-	-	-	-	0.10
	Dejays Infotech Private Limited	-	-	-	-	-	-	548.76	-	-	-	26.00
	Lehan K Daruvala	-	-	-	-	-	-	10.00	-	-	-	10.90
	Transtel Systems Private Limited	-	-	-	-	-	-	10.00	-	-	-	35.00
	Sterling & Wilson Services Pvt Ltd	-	-	-	-	-	-	0.30	-	-	-	0.30
	Evangelos Ventures Private Limited	-	-	-	-	-	-	1,117.63	-	-	-	1,117.63
15 Short term borrowings repaid												
	Shapoorji Pallonji and Company Private Limited	-	225.23	-	-	-	-	-	-	-	-	225.23
	Mr Khurshed Y Daruvala	-	-	-	-	-	-	0.60	-	-	-	70.65
	Deha K Daruvala	-	-	-	-	-	-	1.65	-	-	-	19.35
	Jehan K Daruvala	-	-	-	-	-	-	10.90	-	-	-	5.30
	Ferbhad Uthwala	-	-	-	-	-	-	0.08	-	-	-	0.08
	Mrs Kainaz K Daruvala	-	-	-	-	-	-	3.20	-	-	-	0.40
	Sterling and Wilson Energy Systems Private Limited	-	-	-	-	-	-	-	-	-	-	20.00
	Sterling and Wilson Renewable Energy Ltd	-	-	-	-	178.52	-	-	-	-	-	397.56
	Transtel Systems Private Limited	-	-	-	-	-	-	12.22	-	-	-	9.54
	Evangelos Ventures Private Limited	-	-	-	-	-	-	533.00	-	-	-	12.22
	Dejays Infotech Private Limited	-	-	-	-	-	-	290.41	-	-	-	533.00
		-	-	-	-	-	-	-	-	-	-	290.41
16 Advances received from customers-												
	Shapoorji Pallonji and Company Private Limited	0.40	2.46	-	-	-	-	-	-	-	-	0.40
17 Guarantees- Commission												
	STC Power UK	-	-	0.94	-	-	-	-	-	-	-	0.94
18 Loans given during the year												
	Sterling and Wilson International Solar FZCO	-	-	-	-	-	0.13	-	-	-	-	0.13
19 Loan Repaid during the year												
	Sterling and Wilson International Solar FZCO	-	-	-	-	-	14.91	-	-	-	-	14.91



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

SI Related party disclosures (Continued)

51.3 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
20 Other income:													
	Sterling and Wilson Renewable Energy Ltd	-	-	5.18	6.29	-	-	-	-	-	-	5.18	6.29
	GCO Solar	-	-	0.07	0.75	-	-	-	-	-	-	0.07	0.75
	Sterling & Wilson Power-Gen FZE	-	-	-	0.02	-	-	-	-	-	-	-	0.02
21 Recovery towards expenses and others													
	Sterling and Wilson Renewable Energy Ltd	-	-	12.36	28.03	-	-	-	-	-	-	12.36	28.03
	Sterling and Wilson Middle East WLL	-	-	-	0.39	-	-	-	-	-	-	-	0.39
	Sterling Generators Private Limited	-	-	-	0.08	-	-	-	-	-	-	-	0.08
22 Other expenses													
	Sterling & Wilson Power-Gen FZE	-	-	1.67	1.80	-	-	-	-	-	-	1.67	1.80
	Sterling and Wilson Power Solutions LLC	-	-	-	-	-	0.48	-	-	-	-	-	0.48
	Sterling & Wilson Power-Gen FZE	-	-	-	0.19	-	-	-	-	-	-	-	0.19
	Sterling Wilson Saudi Arabia Limited	-	-	0.09	1.10	-	-	-	-	-	-	0.09	1.10
	Forvol International Services Limited	-	-	-	0.00	-	-	-	-	-	-	-	0.00
23 Letter of credits issued													
	Sterling and Wilson International Solar FZCO	-	-	0.08	-	-	-	-	-	-	-	0.08	-
24 Billing in advance of work completed													
	Shapoorji Pallonji and Company Private Limited	5.26	6.52	-	-	-	-	-	-	-	-	5.26	6.52
	Relationship Properties Private Limited	-	-	-	0.08	-	-	-	-	-	-	-	0.08
25 Advance from customers													
	Shapoorji Pallonji and Company Private Limited	28.44	54.68	-	-	-	-	-	-	-	-	28.44	54.68
	Shapoorji Pallonji Mid East LLC	-	-	3.36	-	-	-	-	-	-	-	3.36	-
	Relationship Properties Private Limited	-	-	-	1.10	-	-	-	-	-	-	-	1.10
	Shapoorji Pallonji Mid East LLC	-	-	3.36	3.36	-	-	-	-	-	-	3.36	3.36
	Shapoorji Pallonji Qatar WLL	-	-	0.68	2.32	-	-	-	-	-	-	0.68	2.32
	Shapoorji Pallonji Lanka Private Limited	-	-	3.27	5.40	-	-	-	-	-	-	3.27	5.40
	Larsen & Toubro Ltd. Shapoorji Pallonji & Co Limited Joint Venture	-	-	-	-	-	-	-	-	-	1.72	-	1.72



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
26	Trade Receivables											
	Shapoorji Pallonji and Company Private Limited	24.41	27.76	-	-	-	-	-	-	-	-	27.76
	Shapoorji Pallonji Mid East LLC	-	-	-	129.05	-	-	-	-	-	-	129.05
	Sterling Generators Private Limited	-	-	9.38	12.70	-	-	-	-	-	-	12.70
	Relationship Properties Private Limited	-	-	0.08	0.67	-	-	-	-	-	-	0.67
	Larsen & Toubro Ltd. Shapoorji Pallonji & Co Limited Joint Venture	-	-	-	-	-	-	-	-	3.81	-	3.81
	Global Infra FZCO	-	-	2.50	2.91	-	-	-	-	-	-	2.91
	Shapoorji Pallonji Nigeria FZIE	-	-	0.00	0.00	-	-	-	-	-	-	0.00
	Shapoorji Pallonji Qatar WLL	-	-	114.68	-	-	-	-	-	-	-	114.68
	Shapoorji Pallonji Mid East LLC	-	-	44.19	17.79	-	-	-	-	-	-	17.79
	Shapoorji Pallonji Nigeria Limited	-	-	2.62	2.44	-	-	-	-	-	-	2.44
	S. D. Corporation Private Limited	-	-	0.34	5.16	-	-	-	-	-	-	5.16
	Shapoorji Pallonji Lanka Private Limited	-	-	-	1.79	-	-	-	-	-	-	1.79
	Co-Steel S.r.l.	-	-	-	-	0.25	-	-	-	-	-	0.25
	Sterling and Wilson Power Solutions LLC	-	-	-	-	0.47	0.47	-	-	-	-	0.47
27	Advances to supplier											
	Sterling Generators Private Limited	-	-	1.82	5.77	-	-	-	-	-	-	1.82
28	Gross amount due from customer											
	Shapoorji Pallonji and Company Private Limited	-	30.23	-	-	-	-	-	-	-	-	30.23
	Relationship Properties Private Limited	-	-	0.00	2.49	-	-	-	-	-	-	2.49
	Global Infra FZCO	-	-	-	0.29	-	-	-	-	-	-	0.29
29	Trade payables											
	Shapoorji Pallonji and Company Private Limited	40.37	39.42	-	0.03	-	-	-	-	-	-	39.45
	Sterling Generators Private Limited	-	-	28.17	49.99	-	-	-	-	-	-	49.99
	Sterling and Wilson Renewable Energy Ltd	-	-	1.36	-	-	-	-	-	-	-	1.36
	GCO Solar	-	-	3.43	3.50	-	-	-	-	-	-	3.50
	Foryol International Services Limited	-	-	0.02	0.21	-	-	-	-	-	-	0.21
	Esterline Solar Engineer Private Limited	-	-	-	2.21	-	-	-	-	-	-	2.21
	STC Power S.r.l.	-	-	-	0.78	-	-	-	-	-	-	0.78
	Eureka Fortes Limited	-	-	-	0.07	-	-	-	-	-	-	0.07
	SP Fabricators Private Limited	-	-	1.36	1.36	-	-	-	-	-	-	1.36
	Sterling and Wilson International Solar FZCO	-	-	12.49	-	-	-	-	-	-	-	12.49
	Sterling Viking Power Private Limited	-	-	-	-	-	-	-	-	-	-	-
	Transiel Systems Private Limited	-	-	-	-	-	-	0.04	-	-	-	0.04
	Sterling and Wilson Services Private Limited	-	-	-	47.34	-	-	-	-	-	-	47.34
	Delys Infotech Private Limited	-	-	-	-	-	-	0.32	-	-	-	0.32
	Sterling & Wilson Energy Systems Private Limited	-	-	-	-	-	-	11.37	-	-	-	11.37
		-	-	-	-	-	-	3.02	-	-	-	3.02



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Follow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
30	Short Term Borrowing											
	Shroerji Poojari and Company Private Limited	11.13	277.64	-	-	-	-	-	-	-	-	277.64
	Sterling and Wilson International Solar FZCO	-	-	18.23	-	-	-	-	-	-	-	18.23
	Sterling Wilson Solar Limited	-	-	11.92	397.56	-	-	-	-	-	-	397.56
	Mrs Kanaz K Daravala	-	-	-	-	-	-	11.50	14.70	-	-	14.70
	Delta K Daravala	-	-	-	-	-	-	1.65	0.10	-	-	1.65
	Farhad Homi Unwalla	-	-	-	-	-	-	0.02	0.10	-	-	0.10
	Mrs Zarine Y Daravala	-	-	-	-	-	-	7.05	7.05	-	-	7.05
	Mr Khurshed Y Daravala	-	-	-	-	-	-	73.02	40.37	-	-	40.37
	Delays Infotech Private Limited	-	-	-	-	-	-	284.35	26.00	-	-	26.00
	Jehan.K.Daravala	-	-	-	-	-	-	-	10.90	-	-	10.90
	Transel Systems Private Limited	-	-	-	-	-	-	23.24	25.46	-	-	25.46
	Sterling and Wilson Powergen FZE	-	-	-	-	-	-	-	25.46	-	-	25.46
	Sterling Trading Company	-	-	22.21	-	-	-	-	25.46	-	-	25.46
	STC Power S.r.l	-	-	-	6.59	-	-	-	-	-	-	6.59
	Darc Consultancy	-	-	-	-	-	0.50	-	-	-	-	0.50
	Sterling and Wilson Services Private Limited	-	-	-	1.83	-	-	-	-	-	-	1.83
	Evangelus Ventures Private Limited	-	-	-	-	-	-	0.30	-	-	-	0.30
		-	-	-	-	-	-	-	50.00	-	-	50.00
31	Other receivables											
	Sterling and Wilson Waarec Private Limited	-	-	-	0.01	-	-	-	-	-	-	0.01
	Shashwat Energy Private Limited	-	-	0.53	0.24	-	-	-	-	-	-	0.24
	Sterling & Wilson Power-Gen FZE	-	-	0.86	0.80	-	-	-	-	-	-	0.80
	Sterling Generators Private Limited	-	-	1.45	2.36	-	-	-	-	-	-	2.36
	Sterling & Wilson Solar Limited	-	-	0.04	20.90	-	-	-	-	-	-	20.90
	Delays FZCO	-	-	-	-	-	-	0.66	0.66	-	-	0.66
	Sterling and Wilson International Solar FZCO	-	-	2.63	-	-	-	-	-	-	-	2.63
	Shashwat Energy Private Limited	-	-	0.56	0.56	-	-	-	-	-	-	0.56
	Transel Utilities Limited, UK	-	-	-	-	-	-	12.13	18.00	-	-	18.00
32	Loans given outstanding											
	Sterling and Wilson Power Solutions LLC	-	-	-	-	7.28	0.99	-	-	-	-	0.99
	Co-Steel S.r.l	-	-	-	-	7.87	11.67	-	-	-	-	11.67
	Ahmed Jassin (51% Qatar)	-	-	-	0.21	-	-	-	-	-	-	0.21
	Sterling and Wilson Saudi Arabia Limited	-	-	1.41	1.28	-	-	-	-	-	-	1.28
	Scientific Joint Company	-	-	-	0.35	-	-	-	-	-	-	0.35
	Sterling & Wilson Power-Gen FZE	-	-	0.34	0.36	-	-	-	-	-	-	0.36
	Transel Utilities Limited, UK	-	-	-	-	-	-	57.12	8.07	-	-	8.07
	Sterling and Wilson International Solar FZCO	-	-	-	-	-	-	-	-	-	-	37.49
	Sterling & Wilson Australia Pty Limited	-	-	0.57	-	-	-	-	-	-	-	0.57
	Delays FZCO	-	-	-	-	-	-	-	-	-	-	7.33
	Consortium Shaker SW	-	-	0.26	-	-	-	11.34	7.33	-	-	11.34
		-	-	-	-	-	-	-	-	-	-	0.26



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

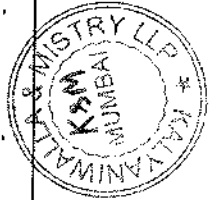
for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
33	Loan Towards Equity											
	Sterling & Wilson Power-Gen FZE	-	-	-	19.73	-	-	-	-	-	-	19.73
34	Other payables											
	Sterling and Wilson Power Solutions LLC	-	-	-	-	2.02	5.95	-	-	-	-	2.02
	Shapoorji Pallonji Mid East LLC	-	-	2.06	2.16	-	-	-	-	-	-	2.06
	Sterling & Wilson Power-Gen FZE	-	-	10.82	10.63	-	-	-	-	-	-	10.82
	Sterling Generators Private Limited	-	-	8.98	8.83	-	-	-	-	-	-	8.98
	Sterling and Wilson International Solar FZCO	-	-	-	545.54	-	-	-	-	-	-	545.54
	Sterling & Wilson International Solar FZO	-	-	-	4.13	-	-	-	-	-	-	4.13
	Sterling and Wilson Renewable Energy Ltd	-	-	7.92	-	-	-	-	-	-	-	7.92
35	Preference share capital issued											
	Mr Khurshed Y Daruvala	-	-	-	-	-	-	100.00	-	-	-	100.00
	Shapoorji Pallonji and Company Private Limited	-	200.00	-	-	-	-	-	-	-	-	200.00
36	Interest Receivable											
	Sterling and Wilson International Solar FZCO	-	-	-	5.74	-	-	-	-	-	-	5.74
	Transtel Utilities Limited, UK	-	-	-	-	-	-	1.61	-	-	-	1.61
	Sterling and Wilson Power Solutions LLC	-	-	-	-	4.24	3.56	-	-	-	-	4.24
37	Interest payable											
	Shapoorji Pallonji and Company Private Limited	11.23	-	-	-	-	-	-	-	-	-	11.23
	Mr Khurshed Y Daruvala	-	52.40	-	-	-	-	5.72	5.72	-	-	5.72
	Delina K Daruvala	-	-	-	-	-	-	0.06	0.06	-	-	0.06
	Mrs Kainaz K Daruvala	-	-	-	-	-	-	0.11	0.11	-	-	0.11
	Farhad Hoshi Unwalla	-	-	-	-	-	-	0.01	0.00	-	-	0.01
	Delsys Infotech Private Limited	-	-	-	-	-	-	0.09	0.09	-	-	0.09
	Mrs Zarine Y Daruvala	-	-	-	-	-	-	0.05	0.22	-	-	0.05
	Jehan K Daruvala	-	-	-	-	-	-	0.89	0.11	-	-	0.89
	Transtel Utilities Limited, UK	-	-	-	-	-	-	0.06	1.90	-	-	1.90
	Eureka Forbes Limited	-	-	-	0.02	-	-	-	-	-	-	0.02
	Sterling Generators Private Limited	-	-	-	0.02	-	-	-	-	-	-	0.02
38	Reat payable											
	Transtel Utilities Limited, UK	-	-	-	-	-	-	-	0.77	-	-	0.77
39	Sale of traded goods											
	Sterling and Wilson Powergen Private Limited#	-	-	0.02	-	-	-	-	-	-	-	0.02



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued) for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
40	Unbilled revenue												
	Sterling Generators Private Limited	-	-	-	3.24	-	-	-	-	-	-	-	3.24
	Global Infra FZCO	-	-	0.31	-	-	-	-	-	-	-	-	0.31
	Shapourji Pallonji and Company Private Limited	18.45	-	-	-	-	-	-	-	-	-	-	18.45
41	Intercompany loans/ deposits taken												
	Sterling Generators Private Limited	-	-	-	6.50	-	-	-	-	-	-	-	6.50
42	Sale of intangible asset												
	Sterling and Wilson Solar Limited	-	-	-	6.20	-	-	-	-	-	-	-	6.20
43	Bank guarantees outstanding												
	STC Power S.r.l.	-	-	-	-	-	78.18	-	-	-	-	-	78.18
	Sterling & Wilson Power-Gen FZE	-	-	0.03	-	-	-	-	-	-	-	-	0.03
	Sterling and Wilson International Solar FZCO	-	-	15.45	-	-	-	-	-	-	-	-	15.45
45	Intercompany loans/ deposits repaid												
	Sterling Generators Private Limited	-	-	1.19	-	-	-	-	-	-	-	-	1.19
	Delays Infotech Private Limited	-	-	-	1.00	-	-	-	-	-	-	-	1.00
	Sterling and Wilson Power Solutions LLC	-	-	-	-	2.08	2.46	-	-	-	-	-	2.46
46	Intercompany loans/ deposits given												
	Sterling And Wilson Australia Pty. Ltd.	-	-	0.57	-	-	-	-	-	-	-	-	0.57
	Sterling and Wilson Power Solutions LLC	-	-	-	-	-	6.07	-	-	-	-	-	6.07
47	Sale of services												
	Sterling Generators Private Limited	-	-	0.11	2.57	-	-	-	-	-	-	-	2.57
48	Professional fees												
	Shapourji Pallonji and Company Private Limited	-	0.00	-	-	-	-	-	-	-	-	-	0.00
	Sterling & Wilson Australia	-	-	0.21	0.64	-	-	-	-	-	-	-	0.64
49	Business support services												
	Sterling and Wilson Powergen Private Limited#	-	-	-	0.79	-	-	-	-	-	-	-	0.79
	Delays FZCO	-	-	-	-	-	-	-	-	-	-	-	0.56
	Shashwat Energy Private Limited	-	-	-	0.20	-	-	-	-	-	-	-	0.20
	Sterling And Wilson Nigeria Limited	-	-	-	0.65	-	-	-	-	-	-	-	0.65



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.2 Transactions with related parties (Continued)

Sr. No	Nature of transaction and balances	Holding company		Fellow Subsidiaries		Associates & Joint Ventures		Key Management Personnel and their relatives and entities over which key managerial personnel exercise control		Entities over which Holding Company exercise significant influence		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
50	Reimbursement of expenses recoverable											
	Sterling and Wilson Solar Limited	-	-	2.52	0.04	-	-	-	-	-	-	2.52
51	Outstanding intercorporate loans / deposits payable											
	Transed Utilities Limited, UK	-	-	-	-	-	-	0.80	0.80	-	-	0.80
	Shapooji Pallonji and Company Private Limited	46.90	46.00	-	-	-	-	-	-	-	-	46.00
	Sterling Generators Private Limited	-	-	-	1.19	-	-	-	-	-	-	1.19
52	Outstanding intercorporate loans / deposits receivable											
	Sterling and Wilson Power Solutions LLC	-	-	-	-	9.00	-	-	-	-	-	9.00
53	Purchase of shares											
	Mr Khurshed Y Daruvala	-	-	-	-	-	-	-	1.23	-	-	1.23
	Shapooji Pallonji and Company Private Limited	-	-	-	-	-	-	-	2.55	-	-	2.55
	Mrs Kainaz K Daruvala	-	-	-	-	-	-	-	1.22	-	-	1.22
	Mrs Zairine Y Daruvala	-	-	-	-	-	-	-	0.01	-	-	0.01
54	Borrowings transferred to Perpetual Loan											
	Shapooji Pallonji and Company Private Limited	277.64	-	-	-	-	-	-	-	-	-	277.64
	Evangelos Ventures Private Limited	-	-	634.63	-	-	-	-	-	-	-	634.63
55	Interest payable transferred to Perpetual Loan											
	Shapooji Pallonji and Company Private Limited	45.94	-	-	-	-	-	-	-	-	-	45.94
56	Investment in Joint Ventures											
	Sterling and Wilson Enel X e-Mobility Pvt Ltd	-	-	-	-	4.27	-	-	-	-	-	4.27
	CoShell S.r.l.	-	-	-	-	15.10	-	-	-	-	-	15.10
	P.T.C. S.a.s. di Barzatti Massimo	-	-	-	-	0.92	-	-	-	-	-	0.92
57	Interest Receivable transferred											
	Sterling and Wilson International Solar FZCO	-	-	(7.81)	-	-	-	-	-	-	-	(7.81)
58	Expenses incurred on behalf of the Company											
	Sterling and Wilson Powergen FZE	-	-	0.01	-	-	-	-	-	-	-	0.01

#During the year 2020-21, Sterling and Wilson Powergen Private Limited has been merged into Sterling Generators Private Limited pursuant to the scheme of amalgamation vide its order dated 08 June 2020.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

51 Related party disclosures (Continued)

51.3 Loans & Advances given to specified persons

(A) Loans / Advance in the nature of loan - Repayable on Demand:

Type of Borrowers	As at 31 March 2022		As at 31 March 2021	
	Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
Promoters	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
KPMPs	-	0.00%	-	0.00%
Related parties	0.17	99.78%	0.61	98.44%
Total	0.17	99.78%	0.61	98.44%

(B) Loans / Advance in the nature of loan - without specifying any terms or period of repayment:

Type of Borrowers	As at 31 March 2022		As at 31 March 2021	
	Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount Outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
Promoters	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
KPMPs	-	0.00%	-	0.00%
Related parties	-	0.00%	-	0.00%
Total	-	-	-	-



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

52 Interest in joint ventures

Interest in joint ventures	Carrying amount	
	31 March 2022	31 March 2021
1 STC Power S.r.l.	-	-
2 Co. Stell S.r.l.	15.10	14.72
3 P.T.C S.A.S Di Barzanti Massimo	0.92	0.33
4 Sterling and Wilson Enel X e-Mobility Pvt Ltd	3.44	-
	<u>19.46</u>	<u>15.05</u>

(a) List of joint ventures

Sr No	Name of the entity	Place of business	% ownership interest		Relationship	Accounting method
			31 March 2022	31 March 2021		
1	STC Power S.r.l.	Forli, Italy	-	60%	Joint Venture	Equity Method
2	Co. Stell S.r.l.	Forli, Italy	85%	85%	Joint Venture	Equity Method
3	P.T.C S.A.S Di Barzanti Massimo	Milan	50%	50%	Joint Venture	Equity Method
4	Sterling and Wilson Enel X e-Mobility Pvt Ltd	Mumbai	50%	-	Joint Venture	Equity Method

The principal activities of the above joint ventures (except Sterling and Wilson Enel X e-Mobility Pvt Ltd) include business development, installation and marketing of technological products, system and equipment as well as the supply of services with particular reference to the energy industry. Additionally, their activities include the development of civil and industrial works, the coordination of the organizational activities for feasibility studies, sales promotion and technical consultancy related to the aforementioned works and setting up of all related activities.

The principal activities of the Sterling and Wilson Enel X e-Mobility Pvt Ltd include business of electric mobility charging infrastructure services, providing related software licenses, implementing and servicing long term contractual service agreements for electric vehicles and provision of ancillary services.

In 2017, the Group acquired ownership interest in three joint ventures registered in Italy. Acquisition of the joint ventures was accounted for using the acquisition method of accounting. As a result of purchase price allocation exercise, the Group has identified intangible assets from customer contracts which is being amortised over the expected time of completion of contracts.

Particulars	STC Power S.r.l.*	Co. Stell S.r.l.	P.T.C S.A.S Di Barzanti Massimo	Total
Increase in value of net assets as a result of final purchase price allocation:				
- Intangible assets	49.98	5.48	-	55.46
Less : Amortisation during the year 2017	(12.78)	(4.49)	-	(17.27)
Amortisation during the year 2018	(21.03)	-	-	(21.03)
Amortisation during the year 2019	(8.62)	-	-	(8.62)
Amortisation during the year 2020	(0.12)	(0.21)	-	(0.33)
Amortisation during the year 2021	(0.12)	-	-	(0.12)
Amortisation during the year 2022	(0.57)	-	-	(0.57)
Translation Adjustment	(6.74)	(0.78)	-	(7.52)
Intangible assets (net of amortisation)	-	(0.00)	-	(0.00)

*Until the previous year, the Group owned 60% of the share capital of STC Power S.r.l. (STC), and the investment was treated as a joint venture. On 13 May 2021, following the shareholders' approval, STC increased its share capital by Euro 10,000,000 from Euro 11,100,000 to Euro 21,100,000, of which the minority shareholder waived its right to subscribe pro-quota the capital increase. Accordingly, the Group subscribed and paid the entire Euro 10,000,000 (equivalent to Rs. 90.51 crore). Following the subscription of the capital increase by the Group, the share capital of STC is divided as follows: (i) the Group owns a quota representing 78.96% of the share capital of STC; (ii) the minority shareholder owns a quota representing 21.04% on the other hand. Effective 13 May 2021, as a result of increase in shareholding to 78.96% STC is considered as subsidiary (refer note 59).

On 06 December 2021, a Sale and Purchase Agreement has been entered into to terminate the existing shareholders' agreement of STC. As a result, the Group became the sole shareholder of STC, purchasing from the minority shareholder the balance 21.04% quota for a consideration of Euros 1.550 (equivalent to Rs. 0.01 crore)



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

52 Interest in joint ventures (Continued)

(b) Summarised financial information for joint ventures

Sr No	Particulars	STC Power S.r.l.	Co. Stell S.r.l.	P.T.C S.A.S Di Barzanti Massimo	Sterling and Wilson Enel X e-Mobility Private Limited
I	Non-current assets (net off goodwill)	0.00	18.54	0.00	0.04
		<i>64.76</i>	<i>29.82</i>	<i>0.00</i>	-
II	Current assets	0.00	96.10	2.27	7.86
		<i>183.12</i>	<i>97.70</i>	<i>4.71</i>	-
III	Non-current liabilities	0.00	(30.34)	0.00	0.02
		<i>(66.17)</i>	<i>(33.64)</i>	<i>0.00</i>	-
IV	Current liabilities	0.00	(86.36)	(0.49)	1.00
		<i>(286.22)</i>	<i>(95.27)</i>	<i>(4.04)</i>	<i>0.00</i>
V	Net assets	0.00	(2.06)	1.78	8.92
		<i>(104.51)</i>	<i>(1.39)</i>	<i>0.67</i>	<i>0.00</i>
VI	Group's share of net assets	0.00	(1.75)	0.89	3.44
		<i>(37.41)</i>	<i>(1.19)</i>	<i>0.33</i>	-
VII	Intangible assets* (net of amortisation and translation adjustment)	0.00	(0.00)	0.00	0.00
		<i>0.55</i>	<i>(0.00)</i>	<i>0.00</i>	-
VIII	Translation adjustment	0.00	0.19	0.03	0.00
		<i>4.74</i>	<i>(0.25)</i>	<i>(0.00)</i>	-
IX	Carrying amount of interest in joint ventures	0.00	15.10	0.92	3.44
		<i>0.00</i>	<i>14.72</i>	<i>0.33</i>	-

Previous year numbers are in italics

* Intangible assets represent fair value of "Customer contracts" identified as a result of final purchase price allocation and is being amortised over the expected time completion of the contracts.

Reconciliation of carrying amounts of Group's interest in the joint ventures in these consolidated financial statements is as follows:

Sr No	Particulars	31 March 2022			
		STC Power S.r.l.	Co. Stell S.r.l.	P.T.C S.A.S Di Barzanti Massimo	Sterling and Wilson Enel X e-Mobility Private Limited
I	Proportion of Group's ownership interest in Joint Venture	-	(1.75)	0.89	3.44
II	Goodwill on investment in joint ventures	-	8.31	-	-
III	Intangible assets (net of amortisation)	-	(0.00)	-	-
IV	Translation Adjustment	-	0.19	0.03	-
V	Amounts contributed to equity	-	8.35	-	-
VI	Carrying amount	-	15.10	0.92	3.44



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

52 Interest in joint ventures (Continued)

(b) Summarised financial information for joint ventures (Continued)

Sr No	Particulars	31 March 2021			
		STC Power S.r.l.	Co. Stell S.r.l.	P.T.C S.A.S Di Barzanti Massimo	Sterling and Wilson Enel X e-Mobility Private Limited
I	Proportion of Group's ownership interest in Joint Venture	(37.41)	(1.19)	0.33	-
II	Goodwill on investment in joint ventures	32.12	8.06	-	-
III	Intangible assets (net of amortisation)	0.55	(0.00)	-	-
IV	Translation adjustment	4.74	(0.25)	(0.00)	-
V	Amounts contributed to equity	-	8.10	-	-
VI	Carrying amount	0.00	14.72	0.33	0.00

Sr No	Particulars	31 March 2022			
		STC Power S.r.l.	Co. Stell S.r.l.	P.T.C S.A.S Di Barzanti Massimo	Sterling and Wilson Enel X e-Mobility Private Limited
I	Revenue	-	141.01	1.69	0.10
II	Profit / (loss) for the year	-	(0.49)	1.15	(1.65)
III	Other comprehensive income (net of income tax)	-	0.42	-	-
IV	Total comprehensive income	-	(0.07)	1.15	(1.65)
V	Group's share of profit / (loss)	-	(0.26)	0.57	(0.83)
VI	Group's share of other comprehensive income	-	0.18	-	-
VII	Group share of total comprehensive income	-	(0.08)	0.57	(0.83)

Sr No	Particulars	31 March 2021			
		STC Power S.r.l.	Co. Stell S.r.l.	P.T.C S.A.S Di Barzanti Massimo	Sterling and Wilson Enel X e-Mobility Private Limited
I	Revenue	368.24	95.36	0.66	-
II	Profit / (loss) for the year	(63.60)	(1.61)	(0.47)	-
III	Other comprehensive income (net of income tax)	0.02	(0.04)	0.00	-
IV	Total comprehensive income	(63.58)	(1.65)	(0.47)	0.00
V	Group's share of profit / (loss)	(0.01)	(0.78)	(0.21)	-
VI	Group's share of other comprehensive income	0.01	(0.02)	0.00	-
VII	Group share of total comprehensive income	(0.00)	(0.80)	(0.21)	0.00

The Group has not recognised losses pertaining to STC Power S.r.l. amounting to Rs. 87.53 crore (31 March 2021) - Rs. 53.69 crore)



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

53 Interest in Associates

	Carrying amount	
	31 March 2022	31 March 2021
	Sterling and Wilson Power Solutions LLC	(18.73)
	(18.73)	(37.46)

Sr No	Name of the entity	% ownership interest		Relationship	Accounting method
		31 March 2022	31 March 2021		
I	Sterling and Wilson Power Solutions LLC	49%	49%	Associate	Equity Method

(a) Summarised financial information for associates

Sr No	Particulars	Sterling and Wilson Power Solutions LLC	
		31 March 2022	31 March 2021
I	Non-current assets (net off goodwill)	0.01	0.02
II	Current assets	3.45	14.19
III	Non-current liabilities	0.00	0.00
IV	Current liabilities	(23.49)	(52.86)
V	Net assets	(20.03)	(38.66)
VI	Group's share of net assets	(20.03)	(38.66)
IX	Carrying amount of interest in associates	(18.73)	(37.46)

Reconciliation of carrying amounts of Group's interest in the associates in these consolidated financial statements is as follows:

Sr No	Particulars	Sterling and Wilson Power Solutions LLC	
		31 March 2022	31 March 2021
I	Proportion of Group's ownership interest in associates	(20.03)	(38.66)
II	Translation Adjustment	1.30	1.20
III	Carrying amount	(18.73)	(37.46)

Sr No	Particulars	Sterling and Wilson Power Solutions LLC	
		31 March 2022	31 March 2021
I	Revenue	0.94	70.03
II	Profit / (loss) for the year	18.73	(15.51)
III	Other comprehensive income (net of income tax)	-	-
IV	Total comprehensive income	18.73	(15.51)
V	Group's share of profit / (loss)	18.73	(15.51)
VI	Group's share of other comprehensive income	-	0.00
VII	Group share of total comprehensive income	18.73	(15.51)



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees in crores)

54 Non-controlling interests (NCI)

Set out below is summarised financial statements for each subsidiary that has non-controlling interests. The amounts disclosed for each subsidiary are before inter-company eliminations

31 March 2022	Sterling and Wilson Security Systems Private Limited*	Sterling and Wilson Nigeria Limited	Sterling and Wilson Middle East WLL, Bahrain	SWME, Kuwait*	GCO Pty. Ltd.	Enrich
Percentage of non-controlling interests	0.10%	0.00%	51.00%	5.00%	24.00%	51.00%
Non-current assets	0.01	-	-	0.00	1.28	0.44
Current assets	0.94	-	0.00	0.00	9.81	18.54
Non-current liabilities	(0.00)	-	-	0.00	-	-
Current liabilities	(2.14)	-	(24.52)	0.00	(25.85)	(28.92)
Net assets	(1.19)	-	(24.52)	0.00	(14.76)	(9.64)
Assets attributable to NCI	(0.00)	-	(12.50)	0.00	(3.54)	(4.92)
Consolidation adjustments	0.00	-	0.60	-	0.06	0.01
Net assets attributable to NCI as per consolidated financial statements	0.00	-	(11.90)	0.00	(3.48)	(4.91)

*Value less than 0.01 crore

31 March 2022	Sterling and Wilson Security Systems Private Limited*	Sterling and Wilson Nigeria Limited	Sterling and Wilson Middle East WLL, Bahrain	SWME, Kuwait*	GCO Pty. Ltd.	Enrich
Percentage of non-controlling interests	0.10%	-	51.00%	5.00%	24.00%	51.00%
Profit after income tax	(0.03)	-	(0.16)	0.22	(0.31)	(11.25)
Other comprehensive income	-	-	0.01	0.00	(0.24)	-
Total comprehensive income	(0.03)	-	(0.15)	0.22	(0.55)	(11.25)
Profit/(Loss) attributable to NCI	(0.00)	-	(0.08)	0.01	(0.07)	(5.74)
Consolidation adjustments	-	-	-	-	-	-
Total profit attributable to NCI	(0.00)	-	(0.08)	0.01	(0.07)	(5.74)
Other comprehensive income attributable to NCI	-	-	0.00	0.00	(0.06)	-
Consolidation adjustments	-	-	-	-	-	-
Total Other comprehensive income attributable to NCI	-	-	0.00	0.00	(0.06)	-
Total comprehensive income attributable to NCI	(0.00)	-	(0.08)	0.01	(0.13)	(5.74)

*Value less than 0.01 crore

31 March 2021	Sterling and Wilson Security Systems Private Limited	Sterling and Wilson Nigeria Limited	Sterling and Wilson Middle East WLL, Bahrain	SWME, Kuwait*	GCO Pty. Ltd.	Enrich
Percentage of non-controlling interests	0.10%	49.00%	51.00%	0.00%	24.00%	51.00%
Non-current assets	0.06	3.54	-	-	3.18	0.53
Current assets	1.24	206.43	0.05	-	14.97	22.11
Non-current liabilities	-	(0.24)	-	-	(1.25)	-
Current liabilities	(2.47)	(208.61)	(23.67)	-	(31.11)	(21.03)
Net assets	(1.17)	1.12	(23.62)	-	(14.21)	1.61
Assets attributable to NCI	(0.00)	0.55	(12.05)	-	(3.41)	0.82
Consolidation adjustments	-	14.19	(0.02)	-	-	-
Net assets attributable to NCI as per consolidated financial statements	(0.00)	14.74	(12.07)	-	(3.41)	0.82

*Value less than 0.01 crore

31 March 2021	Sterling and Wilson Security Systems Private Limited	Sterling and Wilson Nigeria Limited	Sterling and Wilson Middle East WLL, Bahrain	SWME, Kuwait*	GCO Pty. Ltd.	Enrich
Percentage of non-controlling interests	0.10%	49.00%	51.00%	0.00%	24.00%	51.00%
Profit after income tax	(0.15)	(6.36)	(0.16)	-	(5.18)	1.55
Other comprehensive income	-	0.35	(0.02)	-	(2.00)	-
Total comprehensive income	(0.15)	(6.01)	(0.18)	-	(7.18)	1.55
Profit/(Loss) attributable to NCI	(0.00)	(3.12)	(0.08)	-	(1.24)	0.79
Total profit attributable to NCI	(0.00)	(3.12)	(0.08)	-	(1.24)	0.79
Other comprehensive income attributable to NCI	-	0.17	(0.01)	-	(0.48)	-
Consolidation adjustments	-	-	0.00	-	-	-
Total Other comprehensive income attributable to NCI	-	0.17	(0.01)	-	(0.48)	-
Total comprehensive income attributable to NCI	(0.00)	(2.95)	(0.09)	-	(1.72)	0.79

*Value less than 0.01 crore



Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

55 Income taxes

a)

Amount recognised in the Consolidated statement of profit and loss

Particulars	31 March 2022	31 March 2021
Current tax expense :		
Current year	2.27	1.86
Changes in estimate related to prior years	(0.05)	(0.02)
	2.22	1.84
Deferred tax :		
Origination and reversal of temporary differences	75.67	49.26
	75.67	49.26
Tax	77.89	51.10

b)

Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2022		Year ended 31 March 2021		Net of tax
	Before tax	Tax (expense) benefit	Before tax	Tax (expense) benefit	
Items that will not be reclassified to consolidated statement of profit and loss					
Remeasurement gain / (losses) on post employment defined benefit plan	2.23	(0.12)	2.11	(0.03)	0.79
Share of other comprehensive income in joint ventures, to the extent not to be reclassified to consolidated statement of profit and loss	0.01	-	0.01	-	(0.19)
Items that will be reclassified to consolidated statement of profit and loss					
Exchange differences in translating financial statements of foreign operations	(70.33)	0.52	(69.81)	-	38.12
Effective portion of (losses) on hedging instruments in cash flow hedges	1.34	(0.32)	1.02	-	-
Share of other comprehensive income in joint venture, to the extent to be reclassified to profit or loss	0.17	-	0.17	-	0.18

Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

55 Income taxes (Continued)

e) Tax losses carried forward

Particulars	31 March 2022	Expiry date	31 March 2021	Expiry date
Expire	33.32	2025-26	156.55	2027-28
	156.55	- 2027-28	33.33	2025-26
	272.96	2028-29	21.31	2028-29
	11.11	2029-30	25.89	2029-30
	<u>473.94</u>		<u>275.75</u>	2029-30
Never expire	72.58		80.53	

Particulars	31 March 2022	31 March 2021
Within five years	156.55	33.33
Later than five years but less than ten years	317.39	479.50
Later than ten years		
No expiry date- c/f indefinitely	72.58	80.53
Total	<u>546.52</u>	<u>593.35</u>

The Group has recognised deferred tax asset to the extent that the same will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Group.



Sterling and Wilson Private Limited ⁴

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in crores)

f) Unrecognised deferred tax assets/(liabilities)

	31 March 2022	31 March 2021
Provision for liquidated damages	0.74	1.10
Carry forward business losses	52.22	108.40
Unabsorbed depreciation	3.64	8.29
Fair valuation of investments	(1.36)	0.62
Retention receivable & payable	(0.45)	0.31
Loan impairment	13.98	-
Difference between written down value / capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	7.61	(2.94)
Provision for bad and doubtful debts, unbilled receivables and loans and advances	(5.07)	(0.41)
Provision for foreseeable losses	3.09	(0.84)
Employee benefits	1.36	(1.30)
Security deposits	0.04	(0.01)
	75.80	113.21

Since the Group has incurred losses in the previous years, the management has decided not to consider the deferred tax assets/(liabilities) arising in the current year. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

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(Currency: Indian Rupees in crores)

56 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries, Associate and Joint Ventures

Name of the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit or 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 Private Limited	330.07%	2,800.27	36.77%	(205.78)	(2.68%)	1.78	32.58%	(204.00)
	373.09%	2,045.23	32.91%	(339.19)	0.02	0.72	34.14%	(338.47)
Subsidiaries								
Indian								
Range Consultants Private Limited	0.77%	6.50	(0.13%)	0.73	0.00%	-	(0.12%)	0.73
	1.05%	5.76	(0.08%)	0.86	0.00%	-	(0.09%)	0.86
Sterling and Wilson Security Systems Private Limited	(0.14%)	(1.19)	0.01%	(0.03)	0.00%	-	0.00%	(0.03)
	(0.21%)	(1.17)	0.01%	(0.15)	0.00%	-	0.02%	(0.15)
Enrich-SWPL JV (w.e.f. 01 November 2019)	(1.14%)	(9.64)	2.01%	(11.25)	0.00%	-	0.02	(11.25)
	0.29%	1.60	(0.15%)	1.55	0.00%	-	(0.16%)	1.55
Sterling and Wilson Co-Gen Solutions Private Limited	(4.34%)	(36.81)	0.01	(7.39)	0.04	(2.43)	0.02	(9.82)
	(4.92%)	(26.99)	2.88%	(29.69)	0.34%	13.48	1.64%	(16.22)
Foreign								
Sterling and Wilson Nigeria Limited	0.47%	4.02	0.58%	(3.25)	(2.03%)	1.35	0.00	(1.90)
	0.20%	1.12	0.01	(6.36)	0.90%	0.35	0.01	(6.01)
Sterling & Wilson Middle East Electromechanical LLC, UAE	(153.49%)	(1,302.14)	(66.17%)	370.29	(5.92%)	3.93	(59.77%)	374.22
	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sterling and Wilson International FZE (Consolidated)	0.90	760.45	127.89%	(715.63)	0.30	(19.93)	117.49%	(735.56)
	(21.00%)	(115.14)	52.82%	(544.44)	(5.04%)	(1.98)	55.11%	(546.41)
Sterling and Wilson Middle East W.L.L.	(29.83%)	(253.11)	4.50%	(25.21)	0.11	(7.28)	5.19%	(32.49)
	(40.25%)	(220.62)	9.11%	(93.91)	9.36%	3.67	9.10%	(90.24)
Geo Pty Limited (w.e.f. 10 June 2019)	(1.75%)	(14.82)	0.05%	(0.31)	0.00	(0.24)	0.09%	(0.55)
	(2.59%)	(4.21)	0.50%	(5.18)	(5.10%)	(2.00)	0.72%	(7.18)
Sterling and Wilson Co-Gen Solutions AG	0.00%	(0.00)	0.02%	(0.13)	(0.01%)	0.00	0.02%	(0.13)
	0.02%	0.12	0.01%	(0.10)	0.00	0.00	0.01%	(0.09)
Sterling and Wilson Nigeria FZE	0.00	2.18	(0.08%)	0.42	0.00	(0.10)	(0.05%)	0.32
	0.34%	1.86	(0.11%)	1.13	0.00%	(0.00)	(0.11%)	1.13
Non controlling interest in all subsidiaries	(2.39%)	(20.31)	1.05%	(5.88)	0.00	(0.05)	0.95%	(5.93)
	0.00	0.08	0.00	(3.65)	(0.81%)	(0.32)	0.40%	(3.97)
Associates								
Indian								
Sterling and Wilson Power Solutions LLC	(2.21%)	(18.73)	(3.35%)	18.73	0.00	-	(2.99%)	18.73
	(6.83%)	(37.46)	0.02	(15.50)	0.00	-	1.56%	(15.50)
Joint Ventures								
Indian								
Sterling and Wilson Erel X e Mobility Pvt Ltd	0.00	0.01	(0.15%)	0.83	0.00	-	(0.13%)	0.83
	0.00	-	0.00	-	0.00	-	0.00%	-
Foreign								
Co. Stell S.r.l	(0.21%)	(1.75)	0.00	(0.26)	(0.27%)	0.18	0.00	(0.08)
	(0.22%)	(1.19)	0.00	(0.78)	(0.03%)	(0.02)	0.08%	(0.80)
P.T.C S.A.S Di Barzanti Massimo	0.00	0.89	(0.10%)	0.57	0.00	-	(0.09%)	0.57
	0.00	0.33	0.00	(0.21)	0.00	-	0.02%	(0.21)
STC Power S.r.l.	0.00	-	0.00	-	0.00	-	0.00	-
	(6.82%)	(37.41)	0.00	(0.01)	0.00	0.01	0.00%	(0.00)
Total Eliminations on Consolidation	(130.61%)	(1,108.03)	(2.18%)	12.18	66%	(43.78)	5.05%	(31.60)
	(192.19%)	(1,053.56)	0.00	(2.35)	63%	24.68	(2.25%)	22.33
Total	100%	848.38	100%	(559.59)	100%	(66.46)	100%	(626.06)
	103%	548.19	98%	(1,030.67)	64%	39.23	99%	(991.44)

Previous year numbers are in italics



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

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57 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.

31 March 2022	Carrying amount		Fair value				Total
	FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets							
Non-Current							
(i) Investments	77.19	-	-	-	-	77.19	77.19
(ii) Loans	-	-	60.56	-	-	-	60.56
(iii) Other financial assets	-	0.98	12.98	-	0.98	-	13.96
Current							
(i) Investments	0.76	-	0.00	0.76	-	-	0.76
(ii) Trade receivables	-	-	2,421.65	-	-	-	2,421.65
(iii) Cash and cash equivalents	-	-	112.58	-	-	-	112.58
(iv) Bank balances other than cash and cash equivalents	-	-	51.01	-	-	-	51.01
(v) Loans	-	-	189.39	-	-	-	189.39
(vi) Other financial assets	-	-	63.40	-	-	-	63.40
Total	77.95	0.98	2,911.57	0.76	0.98	77.19	2,990.50
Financial liabilities							
Non-Current							
(i) Borrowings	-	-	790.43	-	-	-	790.43
(ii) Lease liabilities	-	-	24.90	-	-	-	24.90
Current							
(i) Borrowings	-	-	830.63	-	-	-	830.63
(ii) Lease liabilities	-	-	8.89	-	-	-	8.89
(iii) Trade payables	-	-	1,314.03	-	-	-	1,314.03
(iii) Other financial liabilities	-	-	191.17	-	-	-	191.17
Total	-	-	3,160.05	-	-	-	3,160.05



57 Financial instruments – Fair values and risk management (Continued)

(a) Accounting classification and fair values (Continued)

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.

31 March 2021	FVTPL	FVTOCI	Carrying amount	Amortised Cost	Total	Fair value			Total
						Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets									
Non-Current									
(i) Investments	70.37	-	-	-	70.37	-	-	70.37	70.37
(ii) Loans	-	-	102.46	102.46	102.46	-	-	-	-
(iii) Other financial assets	-	-	17.51	17.51	17.51	-	-	-	-
Current									
(i) Investments	0.68	-	0.00	0.00	0.68	0.68	-	-	0.68
(ii) Trade receivables	-	-	2,634.46	2,634.46	2,634.46	-	-	-	-
(iii) Cash and cash equivalents	-	-	85.70	85.70	85.70	-	-	-	-
(iv) Bank balances other than cash and cash equivalents	-	-	48.03	48.03	48.03	-	-	-	-
(v) Loans	-	-	172.75	172.75	172.75	-	-	-	-
(vi) Other financial assets	-	-	96.50	96.50	96.50	-	-	-	-
Total	71.05	-	3,157.41	3,228.47	3,228.47	0.68	-	70.37	71.05
Financial liabilities									
Non-Current									
(i) Borrowings	-	-	14.97	14.97	14.97	-	-	-	-
(ii) Lease Liability	-	-	3.47	3.47	3.47	-	-	-	-
Current									
(i) Borrowings	-	-	1,763.54	1,763.54	1,763.54	-	-	-	-
(ii) Lease Liability	-	-	2.83	2.83	2.83	-	-	-	-
(iii) Trade Payables	-	-	1,634.55	1,634.55	1,634.55	-	-	-	-
(iii) Other financial liabilities	-	-	219.11	219.11	219.11	-	-	-	-
Total	-	-	3,638.47	3,638.47	3,638.47	-	-	-	-



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

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57 Financial instruments -- Fair values and risk management (Continued)

(b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring 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 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
Current investments - in equity shares Current investments - in mutual funds	Quoted price in the active market The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.	Not applicable Not applicable	Not applicable Not applicable
Non-current investments in unquoted instruments accounted for as fair value through profit and loss	Discounted cash flow approach: The valuation model considers the present value of expected receipts, discounted using a risk adjusted discount rate.	Average cost of borrowings	Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.
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
Other financial assets: Derivative financial instruments- Cash flow hedge: Interest rate swap used for hedging	The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.	Not applicable	Not applicable

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods



57 Financial instruments – Fair values and risk management (Continued)

(b) Measurement of fair values (Continued)

Level 3 fair values and Sensitivity analysis

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

Description of significant unobservable inputs to valuation:

Type	Valuation technique	Significant unobservable inputs	Discounting rate	Sensitivity of the input to the fair value
Investments in unquoted preference instruments accounted for as fair value through profit and loss	Discounted cash flow approach: The valuation model considers the present value of expected receipts, discounted using a risk adjusted discount rate.	Average cost of borrowings	31 March 2022: 12.85% 31 March 2021: 12.85%	1% (March 2022: 1% increase / (decrease) would result in (decrease) / increase in fair value by (Rs. 0.83 crore) / (Rs. 0.86 crore (March 2021: (Rs. 0.87 crore) / Rs. 0.89 crore)
Investments in unquoted equity instruments accounted for as fair value through profit or loss	31 March 2022: Current Transaction Method (CTM) 31 March 2021: Price of Recent Investment Method	31 March 2022: Current Transaction Method (CTM) 31 March 2021: Price of Recent Investment Method	31 March 2022: Not Applicable 31 March 2021: Not Applicable	The valuation has been done on the basis of the "Current Transaction Method" based on the valuation report issued in August 2021 for 31 March 2021. This method is used in the event there is an investment that is made in the Group. There has been a transfer of 84,997 shares on 26 October 2018 and the valuation at which such transaction has taken place provides a basis for arriving at the fair value.

Reconciliation of Level 3 Fair Value Measurements:

Particulars	Equity instruments	Preference instruments
Balance as at 1 April 2020	19.91	53.54
Add: Change in value of investment in equity shares/preference shares measured at FVTPL	-	(3.08)
Balance as at 31 March 2021	19.91	50.46
Add: Change in value of investment in equity shares / preference shares measured at FVTPL	8.79	(1.97)
Balance as at 31 March 2022	28.70	48.49
Sensitivity analysis	31 March 2022	31 March 2021
Fair value - unquoted equity and preference instruments	77.19	70.37
Significant unobservable inputs		
- increase of 100 bps	0.77	0.70
- decrease: by 100 bps	(0.77)	(0.70)



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees in crores)

57 Financial instruments – Fair values and risk management (Continued)

(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 Respective Company's Board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors are responsible for developing and monitoring the Company's risk management policies.

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 Board of directors 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 Board of directors are 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.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees in crores)

57 Financial instruments – Fair values and risk management (Continued)

(c) Financial risk management (Continued)

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 investments. The carrying amounts of financial assets represent the maximum credit exposure.

Trade and other receivables (including contract assets)

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.

Total trade receivable as on 31 March 2022 is Rs. 2421.65 crores (31 March 2021: Rs. 2634.46 crores), loan as on 31 March 2022 is Rs. 249.95 crores (31 March 2021: Rs. 275.21 crores) and contract assets as on 31 March 2022 is Rs. 850.91 crores (31 March 2021: Rs. 950.05 crores)

The Group does not have higher concentration of credit risks to a single customer.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables, unbilled receivables and contract assets 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.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	Trade receivables	Loans	Contract assets	Total
Balance as at 1 April 2020	108.96	1.94	9.94	120.84
Add: Impairment loss / (gain) recognised (net)	229.04	2.28	18.55	249.87
Provision (reversed) (net)	(208.50)	-	-	(208.50)
Translation adjustments	(1.60)	(0.02)	(0.40)	(2.03)
Balance as at 31 March 2021	127.90	4.20	28.09	160.18
Add: Impairment loss recognised (net)	50.43	0.68	33.53	84.64
Provision (reversed) (net)	(15.10)	(0.23)	(4.38)	(19.71)
Translation adjustments	3.53	0.06	1.29	4.88
Balance as at 31 March 2022	166.76	4.71	58.53	230.00

Cash and cash equivalents

The Group held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of Rs. 110.90 crore and Rs. 85.20 crore as at 31 March 2022 and 31 March 2021 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.

Other bank balances

The Group held other bank balances of Rs. 52.27 crore and Rs. 53.72 crore as at 31 March 2022 and 31 March 2021 respectively with bank with good credit rating.

Investment in mutual funds

Investments primarily include investment in units of mutual funds. These mutual funds and counterparties have low credit risk.

Guarantees

The Parent Company's policy is to provide the financial guarantees only for its subsidiaries and joint ventures. As at 31 March 2022 and 31 March 2021, the Company has issued the guarantees to certain banks on behalf of its subsidiaries and joint ventures in respect of credit facilities availed by the subsidiaries. The Company has given guarantees to the customers of subsidiaries in respect of mobilisation advance received by the subsidiaries and for the performance of the contract obligation.

Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by the Group as at 31 March 2022 and 31 March 2021. The Group monitors the credit worthiness of such lessors where the amount of security deposit is material.

Loans, investments in group companies

The Group has given unsecured loans to its joint ventures. The Group does not perceive any credit risk pertaining to loans provided to joint ventures or the investment in such joint ventures.

Other than the trade receivables and other receivables, the Group has no other financial assets that are past due but not impaired.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees in crores)

57 Financial instruments – Fair values and risk management (Continued)

(c) Financial risk management (Continued)

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. Furthermore, the Group has obtained the long-term loans from the banks. The Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. The management monitors the net liquidity position of the Group through rolling forecasts on the basis of expected cash flow.

As at 31 March 2022, the Group had term loans of Rs. 750 crore, working capital demand loan of Rs. 216.99 crore, current maturities of long-term debt of Rs. 14.97 crore, cash credit loan of Rs. 76.61 crore, loan from related parties of Rs. 447.62 crore, buyer's credit of Rs. 8.06 crore, bank overdraft of Rs. 2.70 crore including cash and cash equivalents of Rs. 112.58 crore and other bank balances of Rs. 52.27 crore.

As at 31 March 2021, the Group had term loans of Rs. 14.97 crore, working capital demand loan of Rs. 139.88 crore, current maturities of long-term debt of Rs. 29.71 crore, cash credit loan of Rs. 71.63 crore, loan from related parties of Rs. 1,464.92 crore, bank overdraft of Rs. 2.75 crore including cash and cash equivalents of Rs. 85.72 crore and other bank balances of Rs. 53.72 crore.

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. Further, the table represents contractual undiscounted cash flow relating to non-derivative financial liabilities:

31 March 2022	Carrying amount	Total	Contractual cash flows			
			1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans (including interest cost)	810.91	810.91	20.48	761.25	23.22	5.96
Cash credit loans from banks	76.61	76.61	76.61	-	-	-
Working capital demand loan	193.29	193.29	193.29	-	-	-
Trust Receipts	-	-	-	-	-	-
Commercial papers	-	-	-	-	-	-
Post shipment Loans	-	-	-	-	-	-
Bill discounting	-	-	-	-	-	-
Loan from related parties	471.32	471.32	471.32	-	-	-
Trade payables	1,314.03	1,314.03	1,314.03	-	-	-
Inter-corporate deposits	58.17	58.17	58.17	-	-	-
Lease liabilities	33.79	42.28	12.01	8.71	19.46	2.11
Buyers credit	8.06	8.06	8.06	-	-	-
Bank overdraft	2.70	2.70	2.70	-	-	-
Other current financial liabilities	191.17	191.17	191.17	-	-	-

31 March 2021	Carrying amount	Total	Contractual cash flows			
			1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans (including interest cost)	44.68	44.68	29.71	14.97	-	-
Cash credit loans from banks	71.63	71.63	71.63	-	-	-
Working capital demand loan	139.88	139.88	139.88	-	-	-
Post shipment Loans	-	-	-	-	-	-
Bill discounting	-	-	-	-	-	-
Loan from related parties	1,464.92	1,456.00	1,456.00	-	-	-
Trade payables	1,634.55	1,641.14	1,641.14	-	-	-
Lease liabilities	6.30	7.35	3.18	1.16	2.17	0.84
Inter-corporate deposits	54.65	54.65	54.65	-	-	-
Bank overdraft	2.75	2.75	2.75	-	-	-
Other current financial liabilities	219.11	219.11	219.11	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to non-derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.



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Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees in crores)

57 Financial instruments – Fair values and risk management (Continued)

(c) Financial risk management (Continued)

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 Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Parent Company is Indian Rupee.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2022 and 31 March 2021 are as below:

Amounts in INR million (Local currency)	31 March 2022					
	USD	EUR	GBP	AED	INR	Others*
Financial assets						
Trade and other receivables	16.33	238.33	388.79	120.38	1,106.97	0.69
Cash and Cash Equivalents	0.46	0.00	0.00	2.48	-	0.01
Exposure to foreign currency assets	16.79	238.33	388.79	122.86	1,106.97	0.70
Financial liabilities						
Trade and other payables	5.16	0.82	4.89	392.59	-	0.14
Exposure to foreign currency liabilities	5.16	0.82	4.89	392.59	-	0.14
Net Exposure	11.63	237.51	383.90	(269.73)	1,106.97	0.56

Amounts in Foreign currency	31 March 2022					
	USD	EUR	GBP	AED	INR	Others*
Financial assets						
Trade and other receivables	0.21	2.84	3.91	5.85	1,106.97	0.01
Cash and Cash Equivalents	0.01	-	-	0.12	-	-
Exposure to foreign currency assets	0.22	2.84	3.91	5.97	1,106.97	0.01
Financial liabilities						
Trade and other payables	0.07	0.01	0.05	19.08	-	-
Exposure to foreign currency liabilities	0.07	0.01	0.05	19.08	-	-
Net Exposure	0.15	2.83	3.86	(13.11)	1,106.97	0.01

*others include AUD, SAR, MYR



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees in crores)

57 Financial instruments – Fair values and risk management (Continued)

(c) Financial risk management (Continued)

57 Financial instruments – Fair values and risk management (Continued)

iii Market risk (Continued)

(a) Currency Risk (Continued)

Amounts in INR million (Local currency)	31 March 2021					
	USD	EUR	GBP	AED	INR	Others*
Financial assets						
Trade and other receivables	470.68	11.67	222.32	(0.00)	-	215.72
Cash and Cash Equivalents	0.65	0.55	0.02	0.00	-	1.32
Exposure to foreign currency assets	471.33	12.22	222.34	(0.00)	-	217.04
Financial liabilities						
Short term borrowings	-	-	-	-	-	-
Trade payables and other payable	37.23	5.47	8.90	33.98	1,957.64	4.94
Exposure to foreign currency liabilities	37.23	5.47	8.89	33.98	1,957.64	4.94
Net Exposure	434.10	6.75	213.44	(33.98)	(1,957.64)	212.11

Amounts in Foreign currency	31 March 2021					
	USD	EUR	GBP	AED	INR	Others*
Financial assets						
Trade and other receivables	6.42	0.14	2.21	-0.00	-	10.68
Cash and Cash Equivalents	0.01	16.31	0.00	0.00	-	0.07
Exposure to foreign currency assets	6.43	16.45	2.21	-0.00	-	10.75
Financial liabilities						
Short term borrowings	-	-	-	-	-	-
Trade payables and other payable	0.51	0.06	0.09	1.70	1,953.63	-4.36
Exposure to foreign currency liabilities	0.51	0.06	0.09	1.70	1,953.63	(4.36)
Net Exposure	5.92	16.39	2.12	(1.70)	(1,953.63)	15.11

*others include CHF, AUD, SAR, MYR

Sensitivity analysis

A 5% strengthening / weakening of the respective foreign currencies with respect to Indian rupees would result in increase or decrease in profit or loss 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 Crores	31 March 2022		31 March 2021	
	Profit or loss (Pre-tax impact)		Profit or loss (Pre-tax impact)	
	Strengthening	Weakening	Strengthening	Weakening
USD	(0.58)	0.58	(21.70)	21.70
EUR	(11.88)	11.88	(0.34)	0.34
GBP	(19.19)	19.19	(10.67)	10.67
AED	13.49	(13.49)	1.70	(1.70)
INR	(55.35)	55.35	97.88	(97.88)
Others	(0.03)	0.03	(10.61)	10.61



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Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees in crores)

57 Financial instruments – Fair values and risk management (Continued)

(e) Financial risk management (Continued)

iii Market risk (Continued)

(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 loans given, deposits and borrowings from financial institutions. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For details of the Group's short-term and long-term loans and borrowings, including interest rate profiles, refer to Note 25 and 27 of these consolidated financial statements.

Particulars	31 March 2022	31 March 2021
Fixed rate instruments		
Financial assets	360.63	391.75
Financial liabilities	(1,368.24)	(1,597.50)
	<u>(1,007.61)</u>	<u>(1,205.75)</u>
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(232.61)	(187.31)
	<u>(232.61)</u>	<u>(187.31)</u>

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	Profit or (loss) - Before tax	
	100 bp increase	100 bp decrease
31 March 2022		
Variable-rate instruments	2.33	(2.33)
Cash flow sensitivity (net)	<u>2.33</u>	<u>(2.33)</u>

INR	Profit or (loss) - Before tax	
	100 bp increase	100 bp decrease
31 March 2021		
Variable-rate instruments	1.87	(1.87)
Cash flow sensitivity (net)	<u>1.87</u>	<u>(1.87)</u>



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

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57 Financial instruments – Fair values and risk management (Continued)

(e) 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. The 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 total debt less cash and bank balances.

The Group's adjusted net debt to equity ratio is as follows:

Particulars	31 March 2022	31 March 2021
Non-current borrowings	790.43	14.97
Short-term borrowings	830.63	1,763.54
Gross debt	1,621.06	1,778.51
Less : Cash and cash equivalents	112.58	85.70
Adjusted net debt	1,508.48	1,692.82
Total equity attributable to owners of the Group	848.35	548.18
Adjusted net debt to adjusted equity ratio	1.78	3.09



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

58 (i) Disposal of investment in subsidiarires

A. Disposal of shares in Sterling and Wilson Australia Pty. Ltd

On 28 October 2021, but effective 01 April 2021, a domestic subsidiary sold 100% of its shares in Sterling and Wilson Australia Pty. Ltd. to Sterling Generators Pvt. Ltd. (formerly Sterling and Wilson Powergen Pvt. Ltd.).

The details of consideration received, assets and liabilities over which control was lost and gain on disposals (recorded in statement of profit and loss) is as follows:

Particulars	As at 01 April 2021
	Sterling and Wilson Australia Pty. Ltd.
A. Consideration received	
Fair value of consideration received	0.03
B. Net assets disposed off	
Non-current assets	
Right of use assets	0.04
Deferred tax asset	
Goodwill	
Current assets	
Cash and cash equivalents	0.02
Other current asset	0.02
Total assets (a)	0.08
Non Current liabilities	
Borrowings	0.96
Current liabilities	
Trade and other payables	0.66
Total liabilities (b)	1.62
Net assets/ (liabilities) disposed off (a-b)	(1.54)
C. Reclassification of foreign currency translation reserve*	(0.02)
D. Share of net liabilities by non-controlling interest	-
E. Gain / (Loss) on disposal (A - B + C + D)	1.56
F. Net cash outflow on disposal	
Cash proceed from disposal	0.03
Less: cash and cash equivalents in subsidiary disposed of	0.02
Net cash flow on disposal	0.01

* Gain on disposal has been computed after adjusting FCFR reclassified to statement of profit and loss.

B. Liquidation of Sterling and Wilson Co-Gen Solutions FZCO

On 04 February 2020, Sterling and Wilson Co-Gen Solutions FZCO, subsidiary of Sterling and Wilson Co-Gen Solutions Private Limited was voluntarily liquidated. DAFZA license was cancelled on 18 April, 2021.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2022

(Currency : Indian rupees in crores)

58 (ii) Common Control as per Ind AS 103 Business Combinations- Appendix C

a) Transfer of shares in SWMELLC from SWIFZE to Parent Company

On 28 February 2022, Sterling And Wilson International FZE ("SWIFZE") , subsidiary company has sold its 100% stake in its subsidiary, Sterling And Wilson Middle East Electromechanical LLC "SWMELLC" to Sterling and Wilson Private Limited ("the Parent Company") with effect from 01 April 2021 as approved by the Board for a cash consideration of Rs. 0.60 crores.

Prior to above share transfer, SWMELLC was a step down subsidiary of Parent company. As per result of above share transfer, SWMELLC has become direct subsidiary of Parent company.

This transfer being transaction between common control entities, the assets acquired and liabilities assumed are recorded at their existing carrying values. (refer accounting policy 3.2 for common control transaction).

b) Transfer of Mechanical, Electrical and Plumbing (MEP) business from SWIFZE to SWMELLC as per the Business Transfer Agreement (BTA)

On 20 May 2022, SWIFZE and , SWMELLC (collectively referred to as parties) entered into a BTA agreement to transfer MEP business of SWFZE to SWMELLC as part of restructuring of its businesses with effect from the appointed date, 28 February 2022. As a result, all assets, liabilities and accumulated losses related to MEP business as at the appointed date were transferred to SWMELLC at their respective carrying value.

Accordingly, the following arrangements were effected:

- a) The MEP business of which previously handled by the SWIFZE shall stand vested with SWMELLC.
- b) All assets (including but not limited to fixed assets, inventories, receivables), liabilities, including loans, of which relating to the MEP business, and accumulated losses as at the appointed date, are transferred to SWMELLC.
- c) The assets and liabilities not pertaining to MEP business in the books of SWMELLC on the appointed date would stand transferred to the SWIFZE.
- d) All MEP business activities from 01 March 2022 going forward will only be carried by SWMELLC.

This transfer being transaction between common control entities, the assets and liabilities are recorded at existing carrying values (refer accounting policy 3.2 for common control transaction).

The Group has given effect to the Business Transfer Agreement as stated above for the year ended 31 March 2022 considering it to be an adjusting event and has accounted for the same as per the pooling of interest method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

59 Business Combinations

(a) Acquisition of subsidiary

On 13 May 2021 ('the acquisition date'), the Group acquired 18.96% of the voting shares of STC Power S.r.l. (erstwhile joint venture – refer note 52) and as a result, the Group's interest in STC Power S.r.l. increased from 60% to 78.96%, giving it control of STC Power S.r.l. However, for the purpose of acquisition accounting, the management has considered 01 April 2021 as the acquisition date, since relevant financial information as at 13 May 2021 was not available.

Identifiable assets and liabilities assumed:

The following table summarises the fair value of class of assets and liabilities assumed at the date of acquisition i.e., as at 01 April 2021:

Particulars	Fair value in Rs.
Property, plant and equipment	0.97
Right-of-use assets	7.71
Other financial assets	20.18
Intangible assets (note 5)	30.25
Deferred tax asset	45.55
Other non-current assets	0.03
Inventories	1.50
Contract assets	22.56
Trade receivables and other assets (net of loss allowance of Rs. 0.18 crores)	85.54
Bank and cash balances	63.54
Term loans - non-current portion	(44.82)
Lease liability - non-current portion	(3.46)
Deferred tax liability	(0.11)
Other provisions	(10.97)
Employees' terminal benefits	(6.29)
Term loans - current portion	(45.50)
Lease liability - current portion	(4.55)
Contract liabilities	(93.23)
Trade payables and other liabilities	(174.96)
Loan from related parties	(22.12)
Fair value of net identifiable liabilities acquired	(128.18)
Gain on fair valuation of pre-existing 60% equity interest in STC Power S.r.l.	
fair value of pre-existing 60% equity interest in STC Power S.r.l.	10.83
Carrying value of investment	-
Gain on fair valuation of pre-existing 60% equity interest in STC Power S.r.l.	10.83



Sterling and Wilson Private Limited

Notes to the consolidated financial statements *(Continued)*

as at 31 March 2022

(Currency : Indian rupees in crores)

58 (ii) Common Control as per Ind AS 103 Business Combinations- Appendix C

a) Transfer of shares in SWMELLC from SWIFZE to Parent Company

On 28 February 2022, Sterling And Wilson International FZE ("SWIFZE") , subsidiary company has sold its 100% stake in its subsidiary, Sterling And Wilson Middle East Electromechanical LLC "SWMELLC" to Sterling and Wilson Private Limited ("the Parent Company") with effect from 01 April 2021 as approved by the Board for a cash consideration of Rs. 0.60 crores.

Prior to above share transfer, SWMELLC was a step down subsidiary of Parent company. As per result of above share transfer, SWMELLC has become direct subsidiary of Parent company.

This transfer being transaction between common control entities, the assets acquired and liabilities assumed are recorded at their existing carrying values. (refer accounting policy 3.2 for common control transaction).

b) Transfer of Mechanical, Electrical and Plumbing (MEP) business from SWIFZE to SWMELLC as per the Business Transfer Agreement (BTA)

On 20 May 2022, SWIFZE and , SWMELLC (collectively referred to as parties) entered into a BTA agreement to transfer MEP business of SWFZE to SWMELLC as part of restructuring of its businesses with effect from the appointed date, 28 February 2022. As a result, all assets, liabilities and accumulated losses related to MEP business as at the appointed date were transferred to SWMELLC at their respective carrying value.

Accordingly, the following arrangements were effected:

- a) The MEP business of which previously handled by the SWIFZE shall stand vested with SWMELLC.
- b) All assets (including but not limited to fixed assets, inventories, receivables), liabilities, including loans, of which relating to the MEP business, and accumulated losses as at the appointed date, are transferred to SWMELLC.
- c) The assets and liabilities not pertaining to MEP business in the books of SWMELLC on the appointed date would stand transferred to the SWIFZE.
- d) All MEP business activities from 01 March 2022 going forward will only be carried by SWMELLC.

This transfer being transaction between common control entities, the assets and liabilities are recorded at existing carrying values (refer accounting policy 3.2 for common control transaction).

The Group has given effect to the Business Transfer Agreement as stated above for the year ended 31 March 2022 considering it to be an adjusting event and has accounted for the same as per the pooling of interest method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2022

(Currency : Indian rupees in crores)

59 Business Combinations

(a) Acquisition of subsidiary

On 13 May 2021 ('the acquisition date'), the Group acquired 18.96% of the voting shares of STC Power S.r.l. (erstwhile joint venture – refer note 52) and as a result, the Group's interest in STC Power S.r.l. increased from 60% to 78.96%, giving it control of STC Power S.r.l. However, for the purpose of acquisition accounting, the management has considered 01 April 2021 as the acquisition date, since relevant financial information as at 13 May 2021 was not available.

Identifiable assets and liabilities assumed:

The following table summarises the fair value of class of assets and liabilities assumed at the date of acquisition i.e., as at 01 April 2021:

Particulars	Fair value in Rs.
Property, plant and equipment	0.97
Right-of-use assets	7.71
Other financial assets	20.18
Intangible assets (note 5)	30.25
Deferred tax asset	45.55
Other non-current assets	0.03
Inventories	1.50
Contract assets	22.56
Trade receivables and other assets (net of loss allowance of Rs. 0.18 crores)	85.54
Bank and cash balances	63.54
Term loans - non-current portion	(44.82)
Lease liability - non-current portion	(3.46)
Deferred tax liability	(0.11)
Other provisions	(10.97)
Employees' terminal benefits	(6.29)
Term loans - current portion	(45.50)
Lease liability - current portion	(4.55)
Contract liabilities	(93.23)
Trade payables and other liabilities	(174.96)
Loan from related parties	(22.12)
Fair value of net identifiable liabilities acquired	(128.18)
Gain on fair valuation of pre-existing 60% equity interest in STC Power S.r.l.	
fair value of pre-existing 60% equity interest in STC Power S.r.l.	10.83
Carrying value of investment	-
Gain on fair valuation of pre-existing 60% equity interest in STC Power S.r.l.	10.83



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

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(Currency : Indian rupees in crores)

59 Business Combinations (Continued)

(a) Acquisition of subsidiary (Continued)

Fair value in Rs.

Goodwill:

Consideration paid for acquisition of 18.96% equity interest	-
Add: fair value of pre-existing 60% equity interest in STC Power S.r.l.	10.83
Add: non-controlling interest (NCI) share of fair values of identifiable net liabilities on the date of acquisition	<u>(27.03)</u>
	(16.20)
Less: fair value of net identifiable liabilities acquired (as above)	<u>(128.18)</u>
Goodwill (note 5)	<u>111.98</u>

The remeasurement to fair value of the Group's existing 60% interest in STC Power S.r.l. resulted in a gain of Rs. 10.83 crore which has been recognised in consolidated statement of profit and Loss.

(b) Acquisition of non-controlling interests (NCI):

On 06 December 2021, the Group acquired the balance 21.04% of the voting shares of STC Power S.r.l, thereby increasing its ownership interest from 78.96% to 100%. The carrying amount of net assets of STC Power S.r.l. on 06 December 2021 was Rs. 128.49 crore and the Group consequently recognised a decrease in NCI of Rs. 27.03 crore as follows:

Fair value in Rs.

Carrying amount of NCI acquired (net liabilities)	27.03
Consideration paid to NCI for acquisition of 21.04% equity interest	<u>0.01</u>
Decrease in equity attributable to owners and the Company	<u>27.04</u>

(c) Acquisition of Non controlling interests

On 01 April 2021, a shareholder holding 49% stake in Sterling and Wilson Nigeria Limited, subsidiary of the Group, surrendered its entire investment in the subsidiary to parent company as a gift. Hence, w.e.f 01 April 2021, percentage(%) of stake held by Parent Company has increased to 100% resulting in derecognition of non-controlling interests and corresponding increase in equity attributable to owners of the Company.

Carrying amount of NCI on the date of surrender of stake to Parent Company	14.74
Consideration paid	-
Reclassified to current borrowings	<u>(17.47)</u>
Increase in equity attributable to owners of the Company	<u>(2.73)</u>



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

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60 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 31 March 2021. Management believes that the Group's international transactions with related parties post 31 March 2021 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.

- 61 The Group had entered into the development, supply, civil works, service and operation and maintenance agreements (hereinafter referred to as 'the EPC contracts'), for developing, constructing, and commissioning of seven solar plants for seven Projects in two states namely Telangana and Madhya Pradesh which were under dispute with the Developers (seven Special Purpose Vehicle (SPV) Companies owned by Sky Power Group.) Out of the seven projects, pursuant to negotiations/discussion, disputes for four projects have been resolved and settled. As on the balance sheet date the value of trade receivables, unbilled receivables and advance related to the balance three projects aggregates Rs. 858.05 crore (31 March 2021 : Rs. 848.95 crore).

The Holding Company's subsidiary, Sterling and Wilson International FZE which had supplied imported materials for these projects had filed case before Hon'ble High Court of Delhi in December 2018 for two out of three projects, seeking a restraining against Skypower Group from alienating, transferring and/or selling the said assets, pending commencement of arbitration proceedings with the Seat of Arbitration in Singapore in terms of SIAC Rules. The Delhi High Court has, vide its order dated 22 June 2020 inter alia directed each respondents of Skypower Group Companies/SPVs in the Delhi High Court proceedings to furnish bank guarantee equivalent to 50% of the total amounts sought to be secured by Group with the Registrar General of the High Court within 4 (four) weeks from the date of Delhi High Court Order. The Developers sought various extensions for furnishing the bank guarantees, the last extension being sought on 22 May 2021 for a period of 12 weeks which was granted by the High Court. The Developers have also filed a appeal before division bench of Delhi High Court, challenging the order passed by single bench of Delhi High Court inter alia furnishing security and the same is pending for hearing.

In case of the remaining one project the dispute is between the Developers and Madhya Pradesh Power Management Company Limited (MPPMCL). The subject matter of dispute is the validity of the Power Purchase Agreement (PPA) which was entered into between the Developer and MPPMCL and which MPPMCL had terminated citing delay in commissioning of project. The High Court has twice given verdict in favour of the Developer, however MPPMCL has preferred an appeal against the High Court decision and the matter was adjudicated in the Supreme Court for disposal. Subsequently, the Supreme Court vide its order dated 16 November 2022, rejected the appeal filed by the Madhya Pradesh Power Management Company Limited, inter alia upheld the order of PPA restoration passed by High Court in India. In terms of the SC order the developer is in the process of completing the commissioning formalities to achieve the commercial operation date of the plant.

Based on discussions with the Developers, Legal opinion sought and favourable order passed by Delhi High Court and Delhi High Court and Supreme Court verdict, the Group Management believes that outstanding amount is good and recoverable and that no adjustments/impairments are required to be made in the consolidated Ind AS financial statements of the Group towards such total outstanding recoverable as on the balance sheet date.

Further, subsequently in the month of June 2022, the Group has collected Rs. 260 crore (equivalent to AED 126.27 Million) as against the total dues of Rs. 255.90 crore (equivalent to AED 124.35 Million) outstanding as at 31 March 2022 in the books of one of the subsidiary from one of the SPVs towards its full and final settlement as mutually agreed between the parties.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

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(Currency: Indian rupees in Crores)

62 Subsequent Event:

- a) Pursuant to share purchase agreement signed between the Sterling And Wilson International FZE ('SWIFZE') (subsidiary company of Group), joint venture partner and third party, SWIFZE along with the joint venture partner has agreed to transfer their respective shareholdings in a joint venture, Co. Stell S.r.l., to the third party for a total consideration of Rs. 13.11 Crore (Euros 1,560,000) on the execution date of 16 November 2022.
- b) Pursuant to share purchase agreement signed between the SWIFZE, joint venture partner and third parties, SWIFZE has agreed to transfer its shareholdings in a joint venture, P.T.C S.A.S Di Barzanti Massimo, to other joint venture partners and the third parties for a total consideration of Rs. 0.04 Crore (Euros 5,000) on the execution date of 23 November 2022.
- c) The Parent Company has made an application for a Scheme of Arrangement ("Scheme") before the National Company Law Tribunal, Mumbai Bench, on 30 August 2022, for the reduction of share capital and reorganization of reserves of Sterling and Wilson Private Limited (being the Transferee Company), under the Companies Act, 2013 in the manner as set out in Part II of this Scheme, in accordance with Section 66 of the Companies Act, 2013, and other applicable provisions and rules made thereunder.

The purported Scheme also provides for merger of Sterling and Wilson Middle East Electromechanical LLC, Wholly Owned Subsidiary Company (being the Transferor Company), a foreign Limited Liability Company incorporated in the Emirate of Dubai under Federal Law No. 8 of 1984, into The Transferee Company in the manner as set out in Part III of this Scheme and in accordance to the provisions of Section 234 read with Section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder for the Transferee Company and provisions as may be applicable to Transferor Company for mergers or arrangements in United Arab Emirates ("UAE").

Further, the Board of Directors of the Company has decided to write off the accumulated losses in the Profit & Loss Account appearing as on the Appointed Date, being 31 March 2022, against the reduction in the paid up Compulsorily Convertible Preference Shares ("CCPS") and the face value of equity shares of the Transferee Company in accordance with section 66 of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 and other applicable provisions.

The Appointed Date envisaged in the Scheme of Arrangement is 31 March 2022.

The Scheme broadly seeks to undertake the following:

- 1 Reorganization of reserves and reduction of share capital of The Transferee Company in the manner set out in this Scheme; whereby:
 - 1.1 With effect from the Appointed Date, 1,80,25,000 number of CCPS (having face value of Rs. 1,000 each) of the Company shall stand extinguished and cancelled through capital reduction proportionate to percentage of such CCPS held by the holders of the CCPS as on the Effective Date, for a consideration of Rs. 11.68 per equity share (as determined on a fully diluted basis), amounting to a total payout of Rs. 87,71,68,000.
 - 1.2 With effect from the Appointed Date, 1,46,84,667 number of Equity Shares (having face value of Rs. 10 each) of the Company (50% of the Equity Shares of the Company as on 28 February 2022) shall stand extinguished and cancelled through capital reduction proportionate to percentage of such Equity Shares held by the holders of the Equity Shares as on the Effective Date, for a consideration of Rs. 11.68 per equity share, amounting to a total payout of Rs. 17.15 crores.
- 2 Amalgamation and vesting of business of Transferor Company with and into Transferee Company, being 100% holding company of the Transferor Company.

The above Scheme of Arrangement has been sanctioned by NCLT vide their Order dated 26 June 2023. As on the date of approval of these consolidated financial statements by the Board of Directors, the Holding Company is yet to receive the sanctioned NCLT order and accordingly file the certified copy of the NCLT Order with the Registrar of Companies and the Scheme shall become effective consequent upon such filings.

As the Scheme is not effective as on the date of approval of these consolidated financial statements, by the Board of Directors, the Scheme has not been given effect to the consolidated financial statements.



Sterling and Wilson Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian rupees in Crores)

63 The Board of Directors of the Group have not recommended any dividend for the financial year ended 31 March 2022.

64 Delay in repayment of principal of term loan:

Name of lender	Nature of borrowing including debt securities	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Amount*
ICICI bank	Term loan	7.50	Principal	30.00	0.01
ICICI bank	Term loan	7.50	Principal	31.00	0.01
ICICI bank	Term loan	7.49	Principal	31.00	0.01
ICICI bank	Term loan	7.49	Principal	8.00	0.00
ICICI bank	Term loan	7.76	Principal	31.00	0.01
ICICI bank	Term loan	7.50	Principal	10.00	0.00

* Value less than Rs. 0.01 crore

65 Disclosure of transactions with struck off companies

The Group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

66 Other statutory information

i) Disclosure requirements as notified by MCA pursuant to amended Schedule III:

- The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
 - The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
 - Utilisation of borrowed funds and share premium
The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
 The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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.
 - Wilful defaulter: None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - Relating to borrowed funds:
 - The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
 - The Group has no discrepancy in utilisation of borrowings and share premium.
 - The Group has disclosed separately current maturities of Long term borrowings.
 - The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
 - The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
 - The Group has obtained borrowings from banks on the basis of security of Current Assets and the quarterly returns of drawing power filed by the Group with banks are in agreement with the books of accounts maintained by the Group.
- ii) Following disclosures are not applicable for consolidated financial statements as per Schedule III:
- Title deeds of immoveable properties
 - Accounting ratios
 - The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.



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(Currency: Indian rupees in Crores)

67 Sterling and Wilson Co-Gen Solutions Private Limited (SWCGSPL), a wholly-owned subsidiary company has accumulated losses in excess of the paid-up capital and other reserves as at the balance sheet date and the working capital has turned negative as at that date. On considering the long-term outlook and cost rationalisation initiatives implemented and further considering support from the Parent Company, the Management of SWCGSPL is of the view that this erosion in net worth of the Company is temporary in nature and the going concern nature of business is not adversely affected. Hence, the consolidated financial statements of the SWCGSPL are prepared on a going concern basis.

68 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.
- The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance sheet (extract)	31 March 2021 (as previously reported)	Increase/ (Decrease)	31 March 2021 (restated)	Reason for Reclassification
Non Current Assets: Loans	114.28	(11.82)	102.46	Reclassified to conform with current year presentation as per the requirements of the revised Schedule III to the Companies Act, 2013 effective 01 April 2021.
Non Current Assets: Other financial assets	5.69	11.82	17.51	Reclassified for better presentation to bring it in conformity with current year classification.
Current assets: Loans	193.37	(20.62)	172.75	1) Reclassified for better presentation to bring it in conformity with current year classification. 2) Reclassified to conform with current year presentation as per the requirements of the revised Schedule III to the Companies Act, 2013 effective 01 April 2021.
Current assets: Other financial assets	953.62	(857.12)	96.50	1) Reclassified for better presentation to bring it in conformity with current year classification. 2) Reclassified to conform with current year presentation as per the requirements of the revised Schedule III to the Companies Act, 2013 effective 01 April 2021.
Current assets: Other current assets	497.85	882.27	1,380.12	Reclassified for better presentation to bring it in conformity with current year classification.
Current liabilities: Borrowings	1,724.91	38.63	1,763.54	1) Reclassified for better presentation to bring it in conformity with current year classification. 2) Reclassified to conform with current year presentation as per the requirements of the revised Schedule III to the Companies Act, 2013 effective 01 April 2021.
Current liabilities: Other financial liabilities	257.74	(38.63)	219.11	1) Reclassified for better presentation to bring it in conformity with current year classification. 2) Reclassified to conform with current year presentation as per the requirements of the revised Schedule III to the Companies Act, 2013 effective 01 April 2021.
Current liabilities: Other current liabilities	757.77	4.53	762.30	Reclassified for better presentation to bring it in conformity with current year classification.

