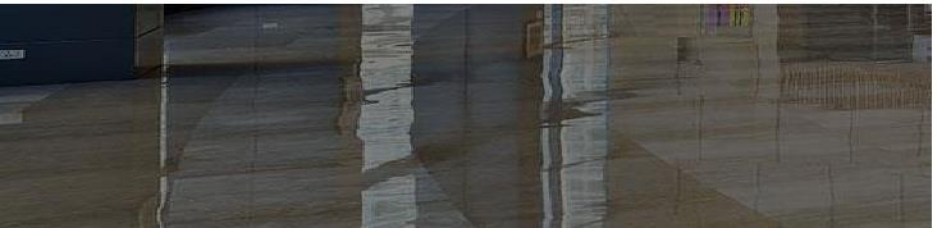
STERLING & WILSON

IPO Presentation
August 2019



ABOUT US

We are a global pure-play, end-to-end solar EPC solutions provider. We provide EPC services primarily for utility-scale solar power projects with a focus on project design and engineering and manage all aspects of project execution from conceptualizing to commissioning. We also provide O&M services, including for projects constructed by third-parties. We currently have a presence across 26 countries and as of March 31, 2019, we had 205 commissioned and contracted solar power projects with an aggregate capacity of 6,870.43 MWp.

SWSL is a global end-to-end solar engineering, procurement and construction (EPC) solutions provider

- The use of solar energy has become increasingly competitive over the years due to the declining costs associated with its use
- Company was the world's largest solar EPC solutions provider in 2018

Company provides EPC services as well as O&M services including projects constructed by third parties

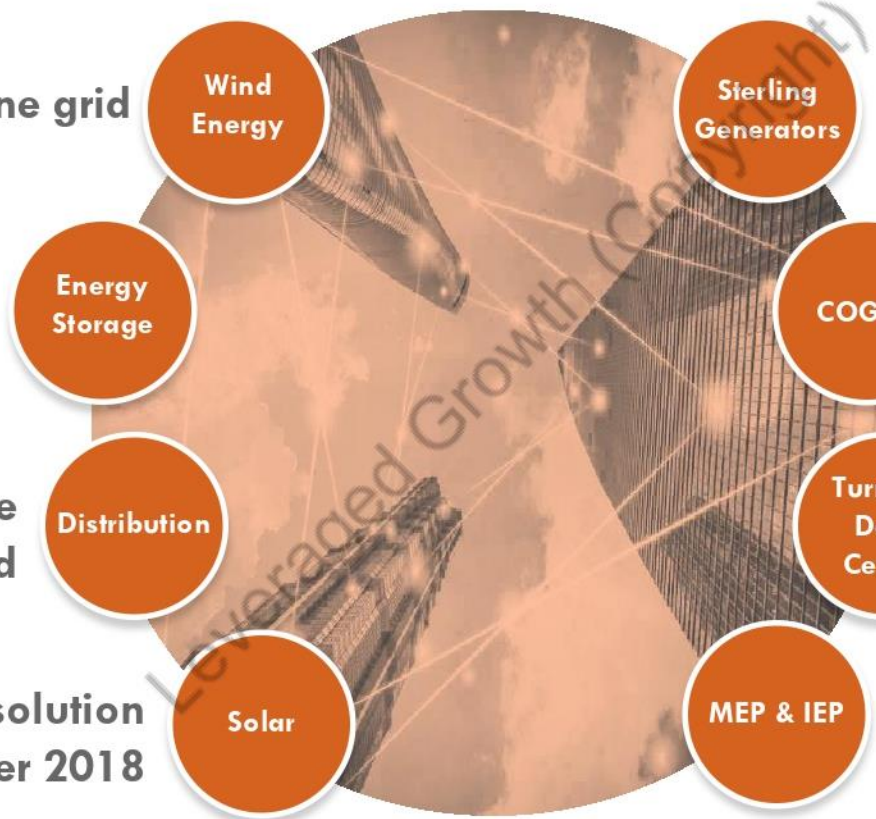
Our Businesses

Uniting the nation under one grid

Granting power autonomy to businesses

Uniting the nation under one grid

World's largest solar EPC solution provider 2018



Powering and empowering lifestyles

Maximizing efficiency, for a green planet and pocket

Building the cloud

Building the latticework of modern infrastructure

Business Model

We follow a "hub-and-spoke" business model where we manage the complete supply chain from India, including the design and engineering functions, interaction with a few suppliers and third-party subcontractors and procure part of the raw materials for their operations locally in various markets, where there is a cost advantage. We operates on an asset-light business model, under which our customers are responsible for sourcing and acquiring real estate while we lease equipment required for operations.

Typical PV project workflow

EPC Business Model	Project Development	Procurement	Engineering and Construction	Operation and Maintenance	Asset Ownership
Third Party EPC for turnkey project	-	EPC company provides full EPC services		O&M is typically performed by the EPC for at least two years	-
Third Party EPC with partial procurement	-	The client decides to source modules or other components directly	EPC company provides engineering and construction	O&M is typically performed by the EPC for at least two years	-
EPC as Developer	The EPC company develops the projects and sells project rights to asset owner prior to construction			O&M usually retained by the EPC company as part of the sale agreement	-
Developer as EPC	The developer of the project performs EPC-in-house			O&M performed in-house if developers keep the asset	Developer may retain ownership of the asset

BOARD OF DIRECTORS

Khurshed Yazdi Daruvala
Chairman and Non-Executive Non-Independent Director

He holds a bachelor's degree in commerce from the University of Mumbai. He is an associate member of the ICAI.
Period of Directorship: August 2, 2018

Keki Manchersha Elavia
Independent Director

He holds a bachelor's degree in commerce from the University of Mumbai and is a practicing chartered accountant. He is a fellow member of the ICAI.
Period of Directorship: March 27, 2019

Pallon Shapoorji Mistry
Non-Executive Non-Independent Director

He holds a master's degree in science with merit in strategic marketing from Imperial College, London.
Period of Directorship: August 2, 2018

Arif Saleh Doctor
Independent Director

He holds a bachelor's degree in arts as well as law from the University of Mumbai. He has been a member of the bar council of Maharashtra and Goa for the past 20 years.
Period of Directorship: March 27, 2019

Bikesh Ogra
Non-Executive Non-Independent Director

He holds a bachelor's degree in electrical engineering from the University of Burdwan.
Period of Directorship: March 27, 2019

Rukhshana Jina Mistry
Independent Director

She is a qualified chartered accountant. She has been practicing as a chartered accountant for over 29 years.
Period of Directorship: March 27, 2019

Shareholding Pattern

Categories	No. of Shareholders	No. of fully paid Equity shares held	Shareholding as a % of total no. of Equity Shares
Promoter and Promoter Group	8	160,360,000	100.0
Public	0	0	0.0
Non Promoter-Non Public	0	0	0.0

Promoters' Shareholding

Name of Promoter	Number of Equity Shares
SPCPL	10,54,66,670
Khurshed Yazdi Daruvala	53,452,930

Promoter Group Shareholding

Members of the Promoter Group	Number of Equity Shares
Kainaz Khurshed Daruvala (jointly with Khurshed Yazdi Daruvala)	Negligible
Pervin Zarir Madan	Negligible
Zarine Yazdi Daruvala	Negligible
Zenobia Farhad Unwalla (jointly with Farhad Homi Unwalla)	Negligible
Pallon Shapoorji Mistry (also a director of SPCPL)	720,000
Cyrus Pallonji Mistry	720,000
TOTAL	1,440,400

Terms of the Offer

Issuer:	Sterling and Wilson
Fees	The listing fees shall be borne by our Company. Other Offer-related expenses shall be shared by each Promoter Selling Shareholder in proportion of the Equity Shares to be offered by each Promoter Shareholder
Face Value	Rs 1.0 per share
Mode of Payment of Dividend	Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum and Articles, the SEBI Listing Regulations and other applicable law
Jurisdiction	The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer
Minimum Subscription	As the Offer is entirely through an offer for sale of the Equity Shares, the requirement of 90% minimum subscription under the SEBI ICDR Regulations is not applicable to the Offer
Withdrawal of the Offer	Our Company and the Promoter Selling Shareholders in consultation with the GCBRLMs and the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment.

Industry Overview

Competition

According to IHS Markit, the combined global market share of the 20 largest solar EPC solutions providers increased from 15.0% in 2010 to 28.0% in 2015.

As solar PV deployment has grown, successful EPC solutions providers have been able to scale-up their businesses and increase their market share. In recent years, new companies have entered the solar EPC industry, particularly in newer markets like Australia.

The solar EPC market is highly competitive and our competitors include global and regional solar EPC providers.

According to IHS Markit, as an increasing number of projects larger than 100 MW are being built, the total global market share of the twenty largest solar EPC solutions providers is likely to increase.

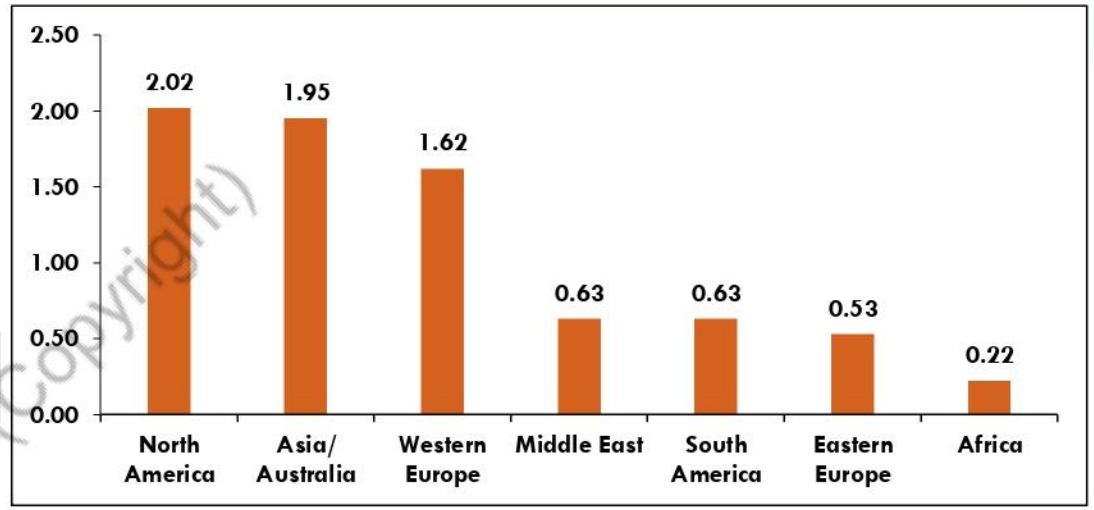
We believe that our competitive pricing, relationships with lenders and their engineers, strong customer focus, excellent track record, financial strength and group parentage allows us to compete favorably with these companies.

EPC Segment

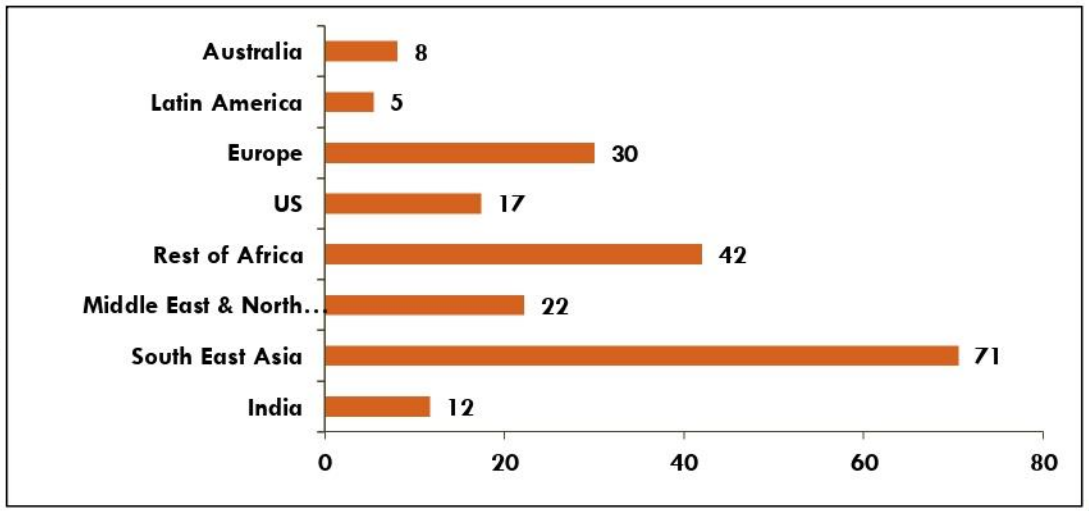
Client mix and models adopted by EPC-dependent sectors

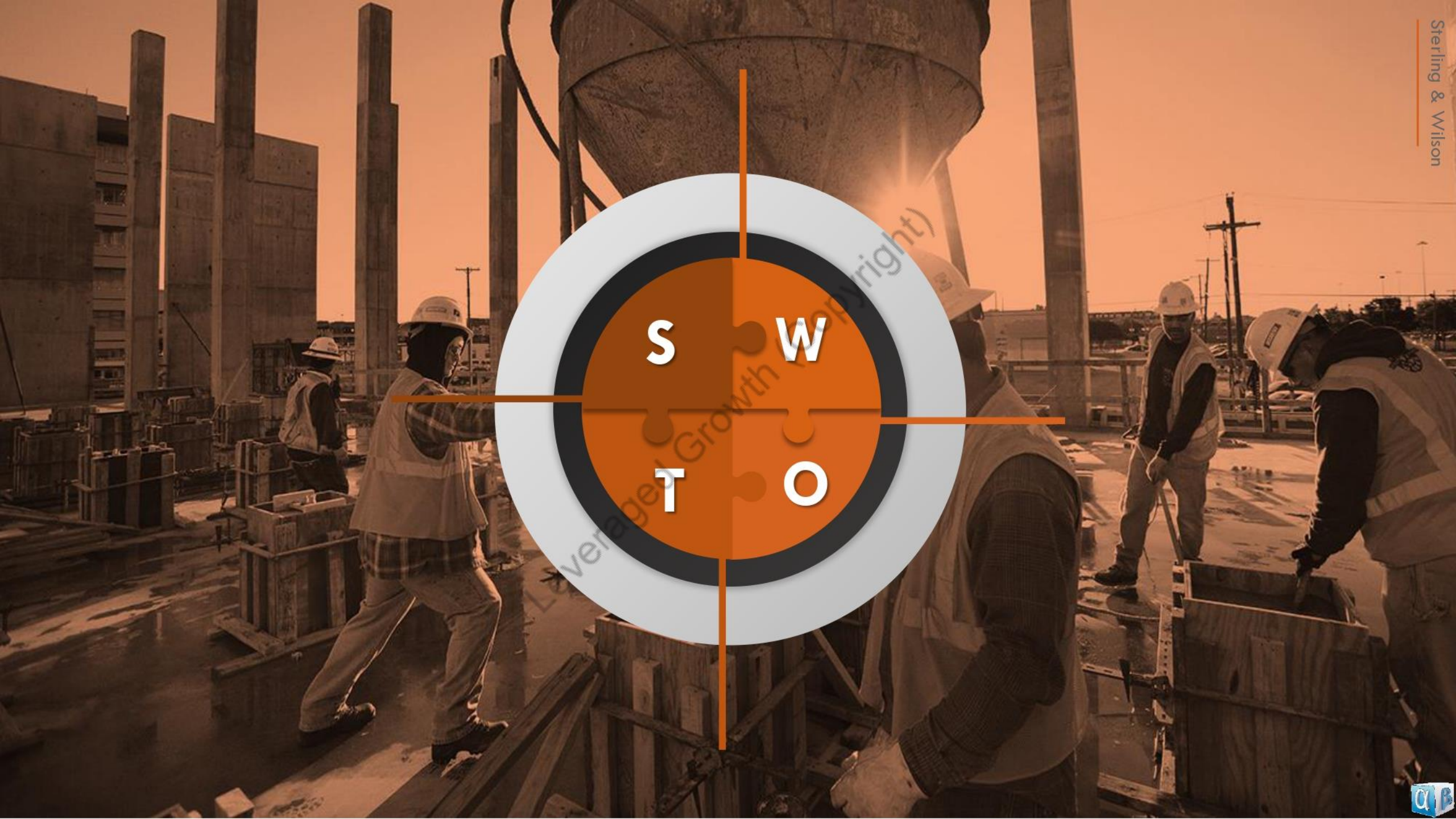
EPC market dependency	EPC market dependency sub-sector	Clientele base* (government-private ratio)	Order of models adopted by Government
Infrastructure construction	Roads	50:50	PPP->Annuity->EPC
	Railways	80:20	EPC->PPP
	Ports	50:50	PPP->EPC
	Airports	50:50	EPC->PPP
	Urban infrastructure	80:20	EPC->limited PPP
Building construction	Building construction	20:80	Cash contracts->EPC
Oil & Gas EPC	Oil & gas	80:20	EPC
Power EPC	Power	20:80	EPC
Specialized EPC	Marine	20:80	EPC
	Hydro	80:20	EPC
	Industrial	20:80	EPC

Projected Value of EPC market worldwide in 2019, by region (in USD trn)



Expected annual solar PV installation CAGR from CY 2018-21 (%)





Strength

- Largest global solar EPC solutions provider in a fast-growing solar industry
- Strong relationship with key stakeholders
- A dedicated design and engineering team focused on innovation and developing efficient and cost-effective engineering solutions
- Experienced key management personnel, project management and operations team with experience in the global solar EPC industry

Weakness

- Several of our raw materials and components are sourced from a single or a limited group of local or global third-party suppliers, giving rise to supplier concentration risks
- Our market position depends on factors which may be beyond our company's control including financing, development and operation capabilities
- We may be unable to accurately estimate costs under fixed-price EPC contracts, fail to maintain the quality and performance guarantees under our EPC contracts

Opportunity

- Solar energy has emerged as a low-cost source of energy and has become lower in cost than traditional energy sources, such as coal and gas, in some key markets
- In recent years, governments across the world have made increasing commitments to combat climate change and lower dependency on fossil fuels. One such action has been to set targets to increase the share of renewable energy in the electricity mix

Threats

- The lack of skillful engineers can act as barrier to entry in markets where EPC providers have less experience in building solar PV systems
- Financial capability, track-record, experience, and local licenses are key hindrances to enter the solar PV market
- A sustainable market for solar power can't be guaranteed in various countries where solar power is in its emerging phase

- Changes in international trade policies and the imposition of trade barriers or anti-dumping duties on solar equipment imports increase costs
- Company's inability to obtain access to transmission lines in a timely and cost-effective manner

- Rise in global inflation rates were to rise, Company will not be able to increase the prices of its services in order to pass costs on to its customers
- Fluctuation in the exchange rate between the Indian Rupee and foreign currencies

RISKS

- Unable to accurately estimate costs under fixed-price EPC contracts, fail to maintain the quality and performance guarantees under our EPC contracts and experiencing delays in completing the construction of solar power projects
- Negative cash flows from operating activities

- Government regulation of foreign ownership of Indian securities
- Changing laws, rules and regulations and legal uncertainties, including adverse interpretation or application of tax laws and regulations

Growth Strategy

Focus on expanding O&M, rooftop solar EPC and solar storage solutions

- Expansion of the our O&M operations to solar power projects that were not constructed by it
- Expansion of rooftop solar EPC solutions which was started in FY2016

Focus on increasing operational and financial efficiency

- By investing in the proficient design and engineering team in India and their innovative engineering efforts
- Availability of labor at low cost in India, enables SWSL to use resources and execute projects efficiently

Expand customer base and maintain relationships with other key stakeholders

- We intend to continue collaborating with strategic partners and key stakeholders to position themselves as a dependable EPC player
- We plan to invest in business development, tendering and marketing functions to optimize the ability to identify, evaluate and capture new customers.

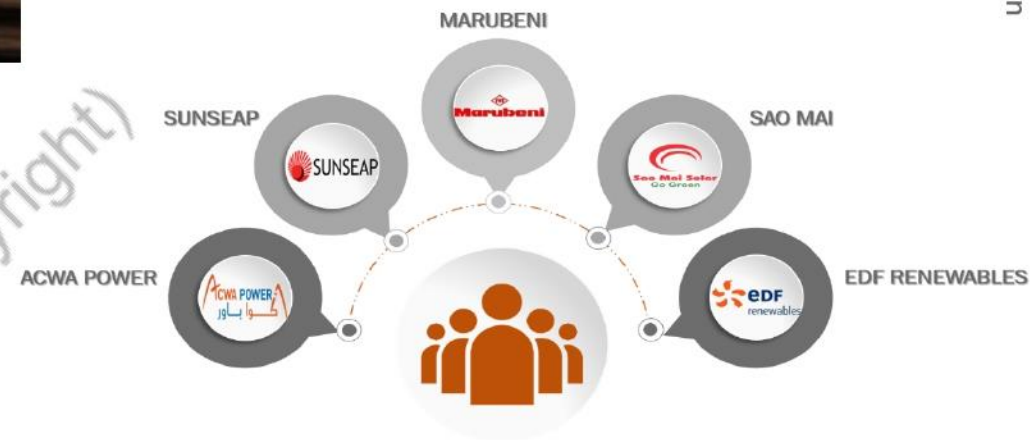
Maintain market leadership through strategic expansion of overseas operations

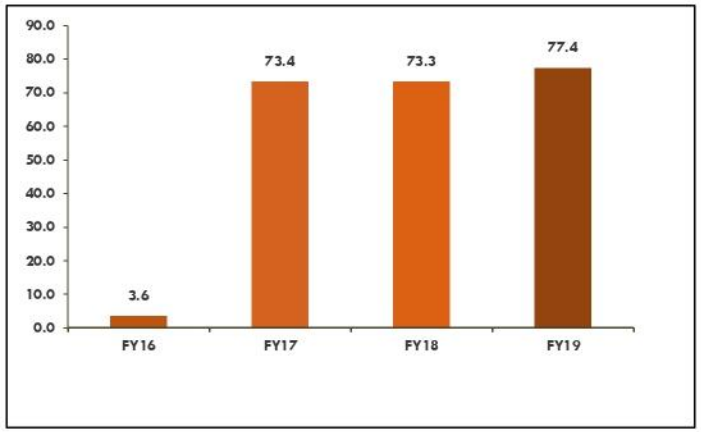
- By acquisition in the markets where company operates and into new geographies with attractive opportunities
- Focusing on markets with conducive solar power policies and high solar resources
- Strong project execution track record and relationships with customers will help secure repeat orders

Geographic Exposure

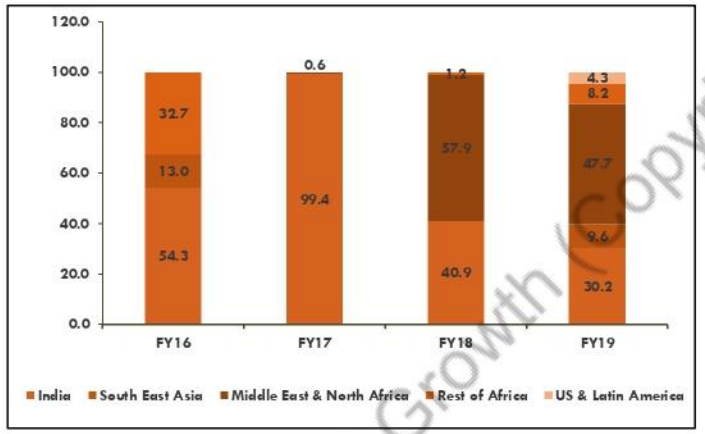
ORDER BOOK

Major Customer Base

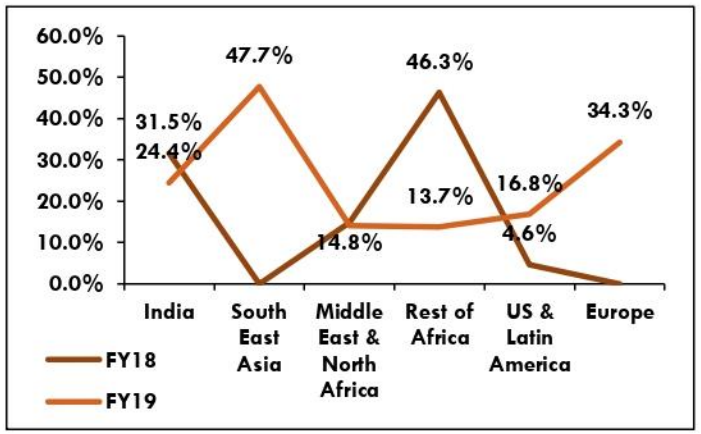




Order Book (Rs. Bn)



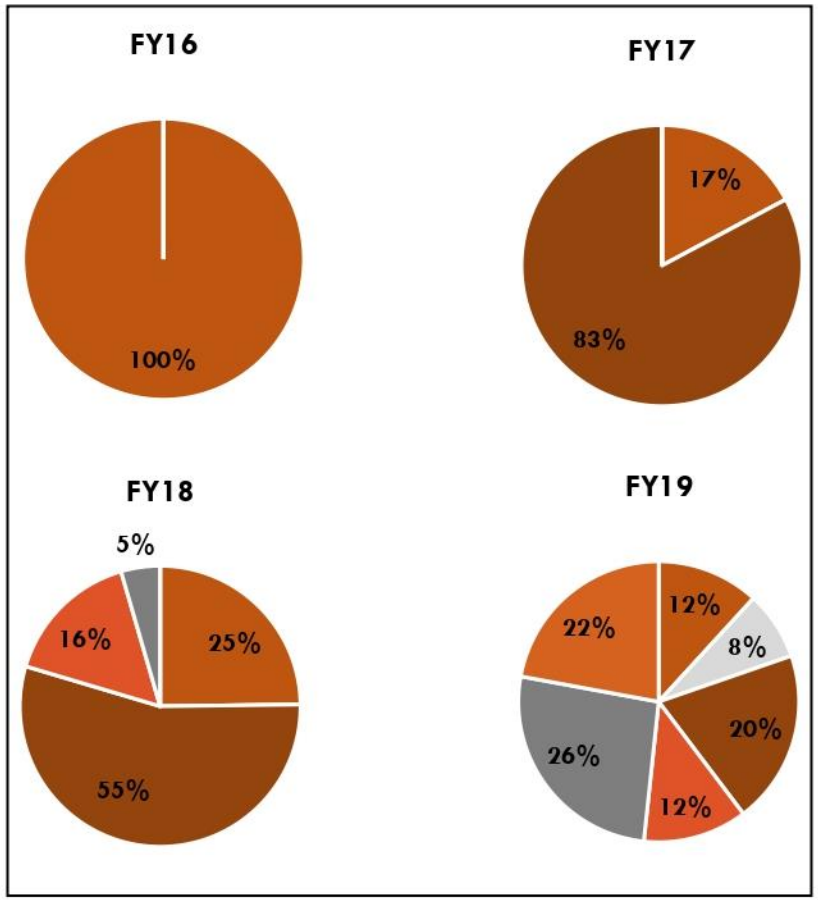
Geography-wise Order Book (%)



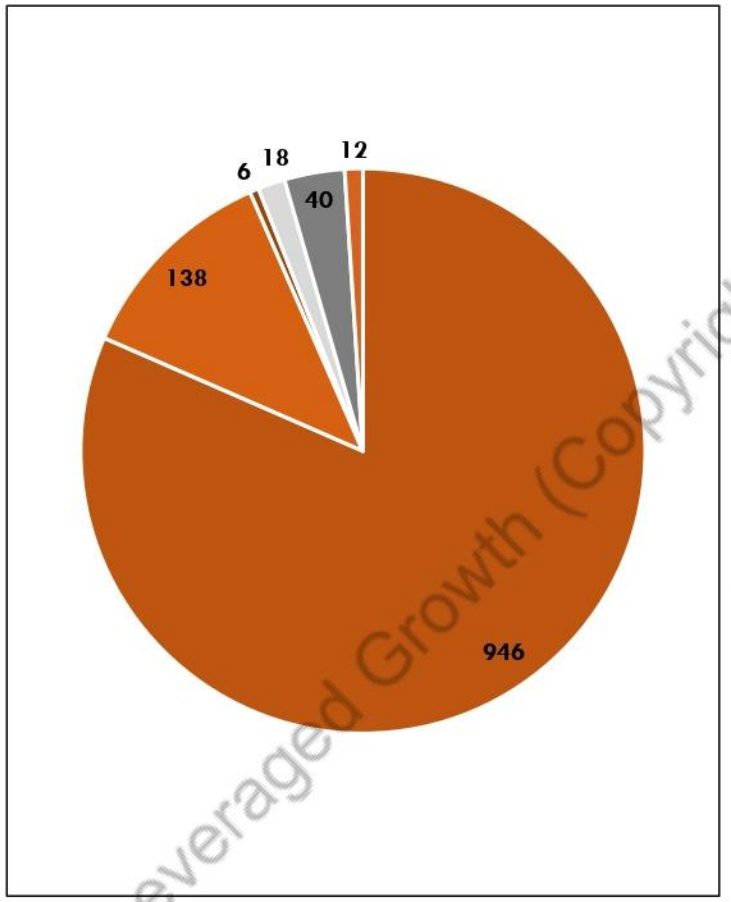
Bid Conversion Ratio

- As of March 31, 2019, we have commissioned and contracted 205 solar power projects with an aggregate capacity of 6,870.1 MWp
- As at March 31, 2019, order book was Rs.38,315.8 million and we have received letters of intent of Rs.39,081.6 million, out of which Rs.21,959.3 million was converted into definitive EPC contracts

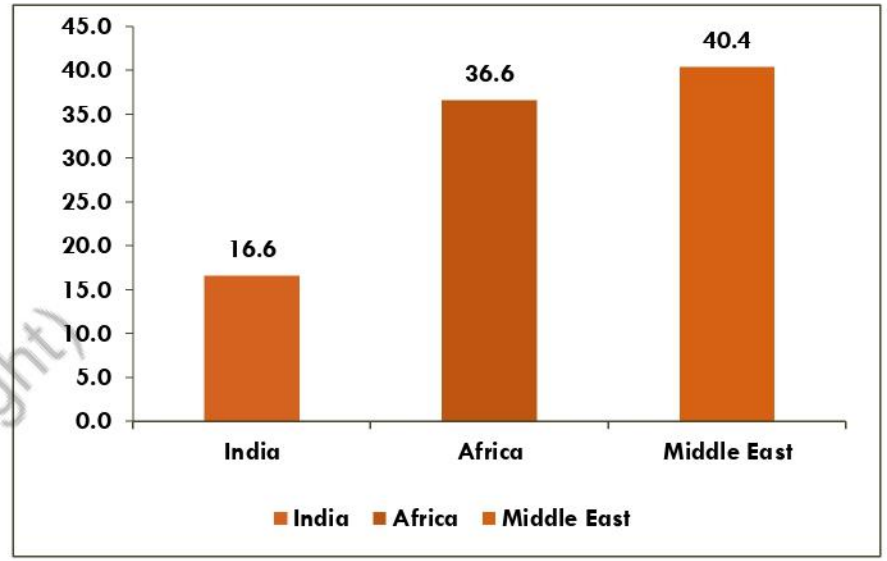
Operational Highlights



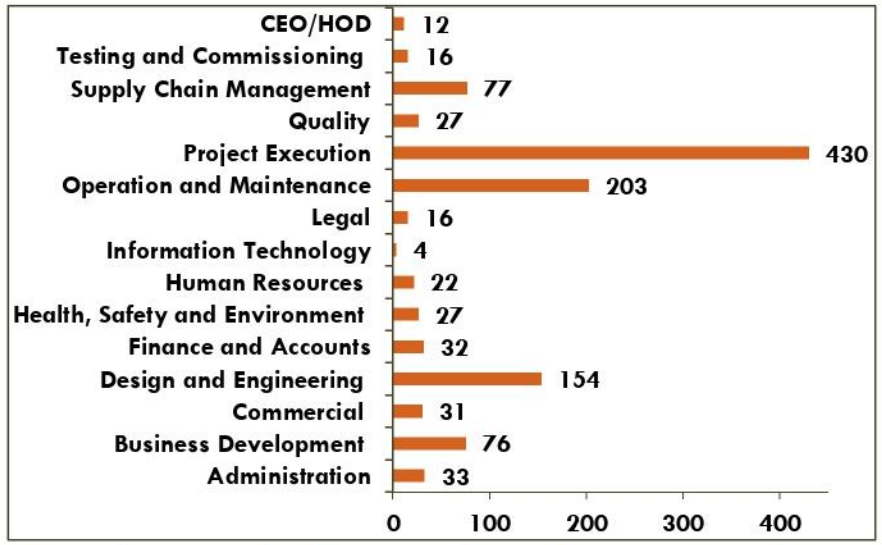
Geographical Revenue Breakup From Customer(%)



Employees At Different Locations



Market Share Breakup 2018 (%)

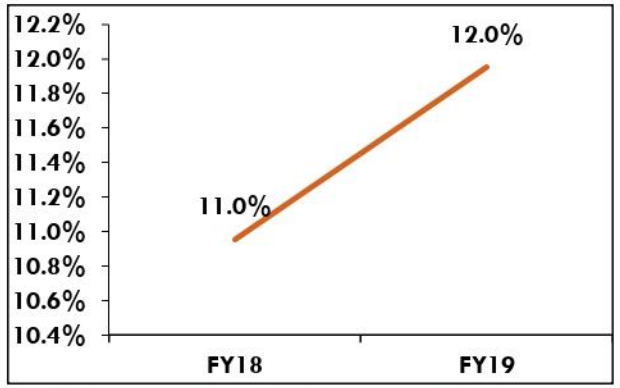


Employees In Respective Department as of 31 March, 2019

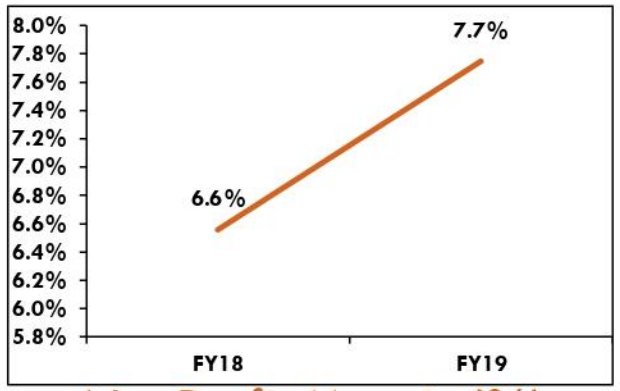
Financial Highlights

Financial Snapshot

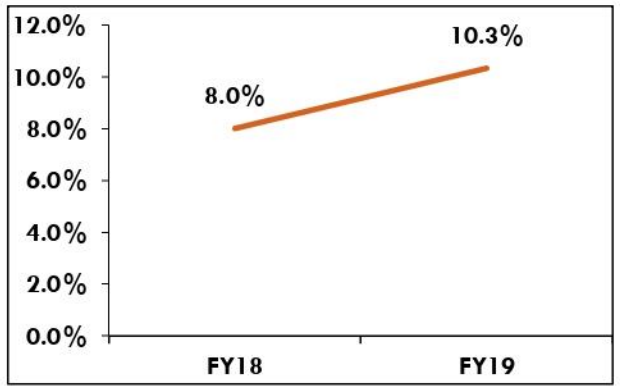
- Total expenses increased by 19.96% YoY to Rs. 75,983.07 million in FY19, primarily due to an increase in the cost of construction materials, stores and spare parts, direct project costs, employee benefit expenses and other expenses
- Total non-current liabilities increased from Rs. 55.76 million FY18 to Rs. 86.13 million FY19 due to an increase in terminal benefits paid to employees upon their termination/resignation, as a result of the demerger
- Increase in the number of O&M service contracts resulted in 113.89% increase in revenue YoY from O&M service in FY19
- Revenue recognized from EPC services in India decreased by 13.02% YoY to Rs. 24,129.71 million in FY19, primarily due to an increase in number solar power projects we provided EPC services on the BoS basis in FY19, where we provided EPC services to solar power projects on a turnkey basis
- Current assets increased from Rs. 48,788.17 million FY18 to Rs. 53,246.88 million FY19 primarily due to an increase in loans given to related parties of Rs. 19,354.63 million in FY19as a result of the demerger
- In respect of the Solar 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 realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 18 months for the purpose of current - non-current classification of assets and liabilities. For the Solar operations and maintenance services, the operating cycle is ascertained as 12 months for the purpose of current – non-current classification of the assets and liabilities



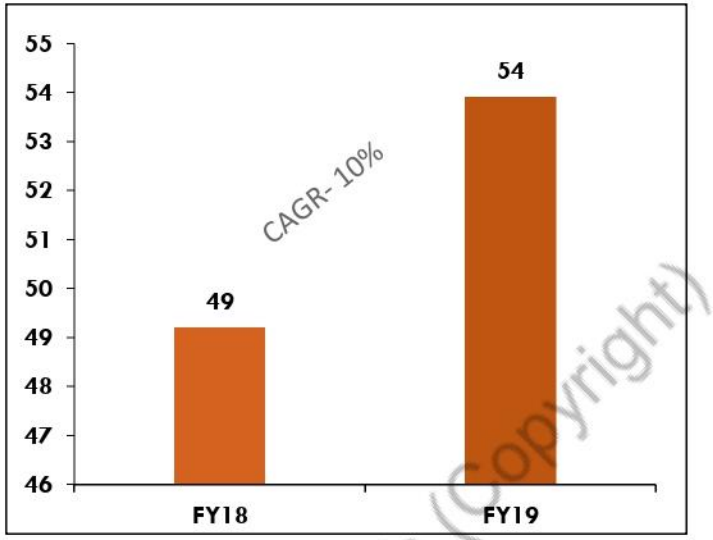
Gross Profit Margin (%)



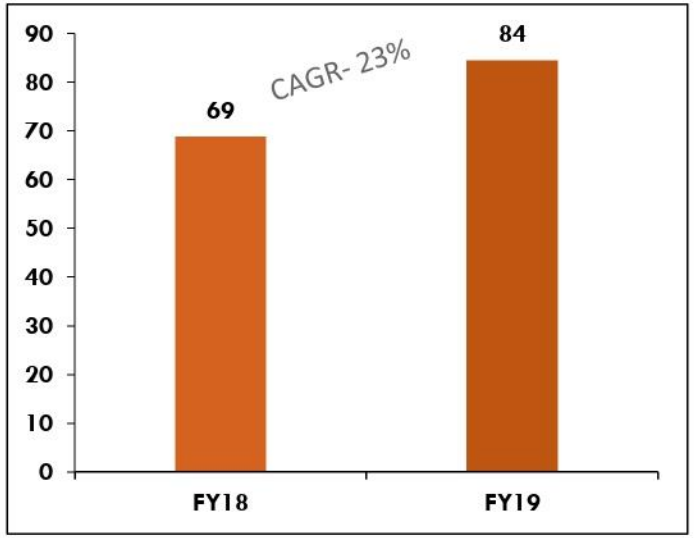
Net Profit Margin (%)



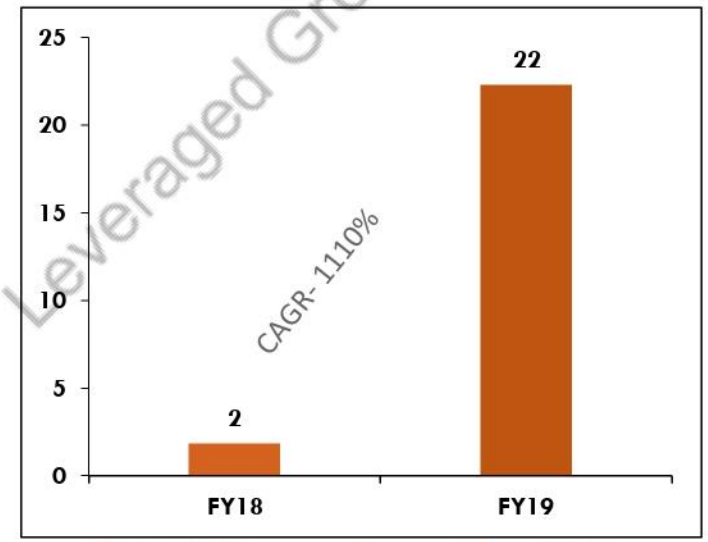
EBITDA Margin (%)



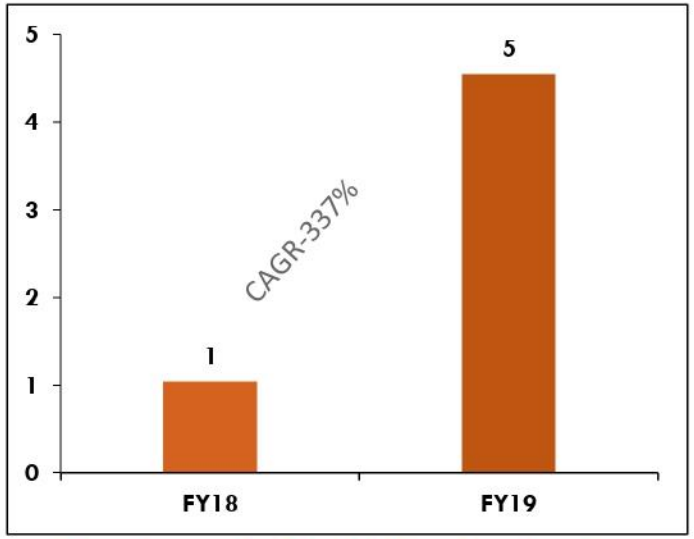
Total Assets (Rs. Bn)



Total Revenues (Rs. Bn)



Total Borrowings (Rs. Bn)



Cash and Cash Equivalents (Rs. Bn)