

May 16, 2021

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

Dear Sir/ Ma'am

We wish to give an update on certain recent one-off events that have had an unanticipated impact on the Company's operations.

- Following the insolvency of one of the Company's prime sub-contractor in a particular geography, the Company has had to appoint alternate sub-contractor(s) at a higher price due to border restrictions and other impacts arising from the ongoing Covid-19 pandemic. This has also led to an increase in project timelines and consequential overheads which are material in this particular geography;
- The global Solar EPC industry has been impacted with several module manufacturers refusing to honour past price contracts given the sharp increase in cost of modules. Some of the Company's module manufactures have also reneged on honouring their contractual commitments and have sought to substantially increase their module prices in two projects;
- Continued increase in commodity prices and freight costs remaining at their all time high.

The management believes that these recent one-off events would materially impact the costs of the affected projects under execution impacting margins for the year end March 31, 2021. The management is taking all steps to minimize the impact of the aforementioned events.

This is for your information and records.

Thanking you.

Yours faithfully,
For Sterling and Wilson Solar Limited

Jagannadha Rao Ch. V.
Company Secretary and Compliance Officer