

February 14, 2022

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.: Outcome of the Board Meeting of Sterling and Wilson Renewable Energy Limited (“the Company”)

Ref.: Regulation 30 read with Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015 (“SEBI Listing Regulations”)

Dear Sir/ Ma’am,

Pursuant to the SEBI Listing Regulations, we wish to inform you that the Board of Directors of the Company (“the Board”) at its meeting held today i.e. Monday, February 14, 2022, *inter alia* considered and approved the Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2021 along with the Limited Review Report issued by the Statutory Auditors of the Company. The same is enclosed herewith.

The said meeting commenced at 05:00 p.m. and concluded at 07:20 p.m.

Further, the signed copies of the enclosed disclosures were received from the Statutory Auditors at 07:55 p.m.

Request you to take the same on records.

Thanking you,

Yours faithfully,

For Sterling and Wilson Renewable Energy Limited



Jagannadha Rao Ch. V.
Company Secretary and Compliance Officer

Encl: As above

Independent Auditor's Review Report on Unaudited Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

***THE BOARD OF DIRECTORS
STERLING AND WILSON RENEWABLE ENERGY LIMITED
(FORMERLY KNOWN AS STERLING AND WILSON SOLAR LIMITED)***

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of *Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited)* ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and nine months ended December 31, 2021, together with the notes thereon, ("the Statement"), attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), (digitally signed by us for identification).
2. This Statement, which is the responsibility of the Parent's Management has been reviewed by the Audit Committee and approved by the Parent's Board of Directors at their meetings held on February 14, 2022. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, ("the Act") read with the relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes results of the following entities:

Name of the Entity	Relationship
Esterlina Solar Engineers Private Limited	Wholly owned subsidiary
Sterling and Wilson International Solar FZCO	Wholly owned subsidiary
Sterling and Wilson Singapore Pte. Ltd.	Wholly owned subsidiary
Sterling and Wilson Kazakhstan LLP	Wholly owned subsidiary
Sterling and Wilson International LLP	Wholly owned subsidiary
Sterling and Wilson Solar Solutions Inc	Wholly owned subsidiary
Sterling and Wilson Solar Solutions LLC	Wholly owned subsidiary
Sterling and Wilson (Thailand) Limited	Wholly owned subsidiary
Sterling and Wilson Saudi Arabia Limited	Wholly owned subsidiary
Sterling and Wilson Solar Australia Pty. Ltd.	Wholly owned subsidiary
GCO Solar Pty Ltd. (formerly known as GCO Electrical Pty Ltd.)	Wholly owned subsidiary
Sterling and Wilson Solar Malaysia Sdn. Bhd.	Subsidiary
Sterling Wilson – SPCPL - Chint Moroccan Venture	Subsidiary
Sterling and Wilson Middle East Solar Energy LLC	Subsidiary
Sterling and Wilson Engineering (Pty) Ltd	Subsidiary
Sterling and Wilson Solar Spain S.L. (formerly known as Renewable Energia Contracting S.L)	Subsidiary
Sterling and Wilson Solar LLC	Subsidiary

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

6. **Emphasis of Matters**

We draw attention to:

- i) Note 10 to the Statement which describes the Indemnity Agreement dated December 29, 2021, entered into by the Parent with Shapoorji Pallonji and Company Private Limited, Khurshed Yazdi Daruvala (jointly the “Promoter Selling Shareholders”) and Reliance New Energy Limited (formerly known as Reliance New Energy Solar Limited) pursuant to which, the Promoter Selling Shareholders would indemnify and re-imburse the Parent and its subsidiaries / branches for a net amount, on settlement of liquidated damages pertaining to certain identified past and existing projects (as on the date of signing the aforementioned agreement), old receivables, direct and indirect tax litigations as well as certain legal and regulatory matters, if such claims (net of receivables) exceeds Rs. 300 crore. Consequently, trade receivables from the customer undergoing a resolution process under the supervision of the National Company Law Tribunal (‘NCLT’) and bank guarantees encashed by certain customers would also be recoverable from the Promoter Selling Shareholders once crystallized, if not recovered from the customers. Since all future crystallized claims beyond Rs. 300 crore will be fully charged back and recovered from the Promoter Selling Shareholders, there will be no further impact on the results of the Parent.

- ii) the comment in the review report dated February 10, 2022, issued by the independent auditor of Sterling and Wilson Solar Australia Pty Ltd (a wholly owned subsidiary of Sterling and Wilson International Solar FZCO), on the unaudited consolidated financial results of the subsidiary for the quarter and nine months ended December 31, 2021, which states that the Company is in dispute with two customers and a subcontractor, in relation to two of its major construction projects, who have submitted claims or liquidated damages against the Company that have not been recognised in the accounts of the Company as at December 31, 2021. These claims are disputed or subject to counter claims by the Company.

Both the status and nature of the contractual disputes referred to above are such that the independent auditor of the subsidiary cannot determine, with a high degree of confidence, the ultimate outcome of these disputes and to what extent, if any, that the Company will incur costs additional to those recorded in the accounts as at December 31, 2021.

The matters relating to the aforesaid customers are also covered under the Indemnity Agreement mentioned above.

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

7. Other Matters

- i) We did not review the interim financial information of 15 branches included in the unaudited standalone interim financial results of the Parent, whose interim financial information reflect total revenues (before consolidation adjustments) of Rs. 840.91 crore and Rs. 2,104.74 crore, total net loss after tax (before consolidation adjustments) of Rs. 20.22 crore and Rs. 55.56 crore and total comprehensive loss (before consolidation adjustments) of Rs. 20.22 crore and Rs. 55.56 crore for the quarter ended December 31, 2021, and for the nine month period from April 1, 2021, to December 31, 2021, respectively, as considered in the unaudited standalone interim financial results of the Parent. The interim financial information of these branches have been reviewed by the branch auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors and the procedures performed by us as stated in paragraph 3 above.
- ii) We did not review the interim financial results of 9 subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues (before consolidation adjustments) of Rs. 1,125.70 crore and Rs. 2,500.09 crore, total net loss after tax (before consolidation adjustments) of Rs. 333.14 crores and Rs. 523.51 crore and total comprehensive loss (before consolidation adjustments) of Rs. 334.17 crore and Rs. 511.35 crore for the quarter ended December 31, 2021, and for the period from April 1, 2021, to December 31, 2021, respectively, as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

- iii) Certain of these branches and subsidiaries referred to above are located outside India whose interim financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been reviewed by the branch auditors and other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's Management has converted the interim financial information of such branches and subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's Management. Our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches and subsidiaries located outside India is based on the report of such other auditors and the conversion adjustments prepared by the Management of the Parent and reviewed by us.
- iv) The Statement includes the interim financial results of 7 subsidiaries which have not been reviewed, whose interim financial results reflect total revenues (before consolidation adjustments) of Rs. Nil and Rs. Nil, total net loss after tax (before consolidation adjustments) of Rs. 3.36 crore and Rs. 9.18 crore and total comprehensive loss (before consolidation adjustments) of Rs. 2.91 crore and Rs. 8.68 crore for the quarter ended December 31, 2021, and for the period from April 1, 2021, to December 31, 2021, respectively, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial results of the subsidiaries are not material to the Group.
- v) Attention is drawn to the fact that the figures in the Statement up to and for the quarter ended June 30, 2021, as well as for the financial year ended March 31, 2021, included in the Statement were audited / reviewed by a firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, Chartered Accountants. The previous auditors have expressed a modified opinion / conclusion for the above periods vide their respective audit / limited review reports which have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement.

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

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

Firm Regn. No.: 104607W / W100166

**Daraius
Zarir Fraser**

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Daraius Z. Fraser

PARTNER

M. No.: 42454

UDIN: 22042454ACEGQW9515

Mumbai: February 14, 2022.



Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited)

CIN:L74999MH2017PLC292281

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

Statement Of Unaudited Consolidated Financial Results For The Quarter and Nine Months Ended December 31, 2021

(₹ in crore)

Sr No.	Particulars	For the quarter ended			For the nine months ended		Year ended
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
1	Income						
	Revenue from operations	1,494.86	1,438.42	1,311.73	4,127.91	3,716.26	5,080.80
	Other income	7.37	31.32	35.91	71.26	106.70	158.49
	Total Income	1,502.23	1,469.74	1,347.64	4,199.17	3,822.96	5,239.29
2	Expenses						
	Cost of construction materials, stores and spare parts	979.05	640.68	605.06	2,080.03	1,999.83	3,069.10
	Direct project costs	811.05	958.90	612.93	2,444.87	1,391.92	1,928.35
	Employee benefits expense	58.94	59.02	49.73	172.56	153.06	208.48
	Finance costs	28.25	17.11	23.11	57.88	70.16	93.09
	Depreciation and amortisation expense	4.49	3.28	3.88	10.85	11.50	16.51
	Other expenses (Refer note 12)	36.90	74.27	29.57	219.69	136.07	263.80
	Total Expenses	1,918.68	1,753.26	1,324.28	4,985.88	3,762.54	5,579.33
3	(Loss) / Profit before tax (1 - 2)	(416.45)	(283.52)	23.36	(786.71)	60.42	(340.04)
4	Tax Expense						
	- Current tax	(1.36)	0.02	3.94	(1.09)	7.97	1.88
	- Current tax relating to earlier period / year	0.86	0.07	(0.00)	-	0.11	9.63
	- Deferred tax charge / (credit)	12.83	0.74	(3.03)	3.53	(2.42)	(61.51)
5	(Loss) / Profit for the period / year (3 - 4)	(428.78)	(284.35)	22.45	(789.15)	54.76	(290.04)
6	Other comprehensive income for the period / year						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of defined benefit liability	0.06	0.07	(0.46)	0.20	(1.37)	0.58
	- Income tax relating to items that will not be reclassified to profit or loss	(0.02)	(0.01)	0.11	(0.05)	0.34	(0.07)
	Items that will be reclassified to profit or loss						
	- Effective portion of (losses) / gain on hedging instruments in cash flow hedges	(12.64)	41.92	(104.06)	39.12	(169.24)	(159.95)
	- Effective portion of (losses) / gain on hedging instruments in cash flow hedges reclassified to profit or loss	(30.55)	18.29	-	68.18	-	63.10
	- Income tax relating to items that will be reclassified to profit or loss	10.87	(13.98)	15.56	(25.41)	34.04	22.77
	- Exchange differences in translating financial statements of foreign operations	(6.00)	23.74	(24.95)	19.32	(40.49)	(51.21)
	Other comprehensive income for the period / year (net of income tax)	(38.28)	70.03	(113.80)	101.36	(176.72)	(124.78)
7	Total comprehensive (loss) / income for the period / year (5 + 6)	(467.06)	(214.32)	(91.35)	(687.79)	(121.96)	(414.82)
8	(Loss) / Profit for the period / year attributable to:						
	- Owners of the Company	(422.41)	(284.63)	21.63	(783.16)	61.47	(285.38)
	- Non-controlling interests	(6.37)	0.28	0.82	(5.99)	(6.71)	(4.66)
9	Other comprehensive (loss) / income for the period / year (net of tax) attributable to:						
	- Owners of the Company	(38.60)	69.90	(113.36)	101.42	(174.71)	(122.80)
	- Non-controlling interests	0.32	0.13	(0.44)	(0.06)	(2.01)	(1.98)
10	Total comprehensive (loss) / income for the period / year attributable to:						
	- Owners of the Company	(461.01)	(214.73)	(91.73)	(681.74)	(113.24)	(408.18)
	- Non-controlling interests	(6.05)	0.41	0.38	(6.05)	(8.72)	(6.64)
11	Paid-up equity share capital (face value ₹ 1/-)	18.97	16.04	16.04	18.97	16.04	16.04
12	Other equity						645.84
13	Earnings per equity share (EPS) (of ₹ 1 each) (not annualised)						
	(a) Basic	(26.31)	(17.75)	1.35	(48.77)	3.83	(17.80)
	(b) Diluted (Refer note 16)	(26.31)	(17.75)	1.35	(48.77)	3.83	(17.80)
	See accompanying notes to the unaudited consolidated financial results						



Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited)

CIN:L74999MH2017PLC292281

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

Unaudited Consolidated Segment-Wise Revenue, Assets, Liabilities And Capital Employed For The Quarter and Nine Months Ended December 31, 2021

(₹ in crore)

Particulars	For the quarter ended			For the nine months ended		Year ended
	31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
Segment Revenue						
EPC business	1,445.58	1,376.45	1,250.91	3,955.43	3,534.12	4,825.75
Operation and maintenance service	49.23	61.97	58.94	172.42	180.24	252.07
Total	1,494.81	1,438.42	1,309.85	4,127.85	3,714.36	5,077.82
Other operating income	0.05	-	1.88	0.06	1.90	2.98
Revenue from operations	1,494.86	1,438.42	1,311.73	4,127.91	3,716.26	5,080.80
Segment Results						
EPC business	(266.13)	(216.53)	68.07	(521.88)	235.00	(81.52)
Operation and maintenance service	9.26	24.11	19.84	54.76	66.47	99.79
Total	(256.87)	(192.42)	87.91	(467.12)	301.47	18.27
Add: Unallocable income	5.87	31.29	35.15	66.51	101.76	136.60
Less: Unallocable expenditure	(165.45)	(122.39)	(99.70)	(386.10)	(342.81)	(494.91)
Total profit before tax	(416.45)	(283.52)	23.36	(786.71)	60.42	(340.04)
Segment Assets						
EPC business	2,527.17	1,888.45	2,030.73	2,527.17	2,030.73	1,887.96
Operation and maintenance service	126.05	196.43	139.42	126.05	139.42	150.39
Unallocated	1,297.27	1,290.85	2,085.95	1,297.27	2,085.95	1,671.02
Total	3,950.49	3,375.73	4,256.10	3,950.49	4,256.10	3,709.37
Segment Liabilities						
EPC business	2,406.72	2,025.40	2,116.32	2,406.72	2,116.32	2,358.01
Operation and maintenance service	41.94	67.93	78.87	41.94	78.87	53.84
Unallocated	439.39	844.25	1,110.19	439.39	1,110.19	639.74
Total	2,888.05	2,937.58	3,305.38	2,888.05	3,305.38	3,051.59
Capital Employed (Segment Assets - Segment Liabilities)						
EPC business	120.45	(136.95)	(85.59)	120.45	(85.59)	(470.05)
Operation and maintenance service	84.11	128.50	60.55	84.11	60.55	96.55
Unallocated	857.88	446.60	975.76	857.88	975.76	1,031.28
Total	1,062.44	438.15	950.72	1,062.44	950.72	657.78

Notes to Unaudited Consolidated Financial Results For The Quarter And Nine Months Ended December 31, 2021

Notes :

- 1 The above unaudited consolidated financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 14, 2022. These unaudited consolidated financial results have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The above unaudited consolidated financial results have been subjected to a limited review by the statutory auditors of the Sterling and Wilson Renewable Energy Limited ('Parent Company' or 'Holding Company'). The auditors have expressed an unmodified conclusion in the review report for the quarter and nine months ended December 31, 2021.
- 3 Financial results of Sterling and Wilson Renewable Energy Limited (formerly known as Sterling and Wilson Solar Limited) (Standalone information):

Particulars	For the Quarter ended			For the nine months ended		Year ended
	31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
Total Income	1,053.80	988.51	825.98	2,921.96	1,981.96	3,330.12
(Loss) / Profit before tax for the period / year	(34.88)	(57.57)	37.44	(137.55)	(7.90)	(142.67)
(Loss) / Profit after tax for the period / year	(32.27)	(42.04)	25.41	(109.47)	(12.84)	(111.44)

(₹ in crore)

- 4 The Group is primarily engaged in the business of complete Turnkey solution for Engineering, Procurement, Construction, Operation and maintenance of Renewable Energy Power projects. The Holding Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on financial information for Engineering, Procurement and Construction (EPC) business and Operation and Maintenance Service based on analysis of certain performance indicators viz. Profit after tax. Accordingly, the Group has determined its reportable segments under Ind AS 108 "Operating Segments" as follows:
 - Engineering, Procurement and Construction business; and
 - Operation and Maintenance Service.

The financial information of these segments has been provided in the unaudited consolidated financials results as per Ind AS 108.
- 5 The Red Herring Prospectus dated 29 July 2019 stated that the Shapoorji Pallonji and Company Private Limited and Khurshed Yazdi Daruvala ("Selling Shareholders") shall use a portion of net offer proceeds towards funding full repayment of the outstanding inter-corporate deposits/ loans payable by fellow subsidiaries to the Holding Company and its subsidiary company. The entire amount has now been repaid along with all interest accrued thereagainst.

The Holding Company has also responded to queries on this matter (including from Shareholders, SEBI, ROC and media reports). The Holding Company, based on independent opinions from legal experts, has determined that there is no non-compliance with any provisions of the Companies Act, 2013 and/or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, by the Holding Company, in respect of this matter.
- 6 The outbreak of the Coronavirus (COVID-19) pandemic globally continues to cause significant disturbance and slowdown of economic activity. During the quarter ended 30 June 2021, the construction activities at various sites witnessed a slowdown as per the directives issued by various regulatory authorities which has led to an increased cost of construction (including rise in module and commodity costs) as well as overheads due to extended time. Owing to these factors, the Group has faced liquidity challenges during the quarter.

The Group continues to have a strong order book, a positive net-worth and favorable net current asset position. The Group's management and the Board of Directors of the Company have also made an assessment on going concern, after considering the Group's projected cash flows for the next 12 months, as well as financing arrangements to fulfil its working capital requirements and necessary capital expenditure.

The Group has used the principles of prudence in applying judgements, estimates and assumption and based on the current estimates' management has assessed the impact of existing and anticipated impact of COVID-19 on future projected cash-flows. Based on all the above, the Management believes that the Group will continue its business as a going concern in the foreseeable future, so as to be able to realise its assets and discharge its liabilities in the normal course.
- 7 A Subsidiary Company has received intimation for liquidated damages from two of its customers for an amount of approximately Rs 189.06 crore. The Subsidiary Company has sent its responses refuting such liquidated damages and has sought extension of time due to various circumstances (including but not limited to the impact of the COVID-19 pandemic). Further, the Subsidiary Company has also made a counter claim of Rs 101.10 crore for additional cost incurred mainly due to the impact of the COVID 19 pandemic. Contractual documentation is being exchanged and based on management's best estimate, no provision for liquidated damages is required to be made.
- 8 During the year ended 31 March 2021, a significant subcontractor in a particular geography filed for bankruptcy. The subcontractor has levied a claim on a Subsidiary Company for approximately Rs 93.51 crore which has been refuted by the Management. The Subsidiary Company has filed a counter claim on the subcontractor for an amount of Rs 171.19 crore for noncompliance with contractual obligations. In the opinion of the Management, the subcontractor's claim is not tenable and accordingly, based on Management's best estimate, no provision is required to be made for the same.