



swelect ENERGY SYSTEMS LIMITED

(Formerly Known as NUMERIC POWER SYSTEMS LIMITED)

TWENTIETH ANNUAL REPORT 2014 - 2015

CONTENTS

Corporate Information	2
Director's Report	3
Annexure to the Director's Report	11
Report on Corporate Governance	41
Certificate on Corporate Governance	58
Auditors' Report - Stand alone	59
Balance Sheet - Stand alone	62
Statement of Profit and Loss - Stand alone	63
Cash Flow Statement - Stand alone	64
Notes to Accounts - Stand alone	66
Auditors' Report - Consolidated	98
Balance sheet - Consolidated	102
Statement of Profit and Loss - Consolidated	103
Cash Flow Statement - Consolidated	104
Notes to Accounts - Consolidated	106

CORPORATE INFORMATION

CHAIRMAN

Mr. V.M. SIVASUBRAMANIAM

MANAGING DIRECTOR

Mr. R. CHELLAPPAN

DIRECTORS

Mr. N. NATARAJAN

Mrs. VASANTHA BALAN

Mrs. JAYASHREE NACHIAPPAN

Mr. V. C. RAGHUNATH

COMPANY SECRETARY

Mrs. J. BHUVANESWARI

CHIEF FINANCIAL OFFICER

Mr. P. JAGAN

BANKERS

STATE BANK OF MYSORE
Santhome and Industrial Finance Branch,
Chennai.

THE HONGKONG AND SHANGHAI
BANKING CORPORATION LIMITED
Chennai.

BARCLAYS BANK,PLC
Mumbai.

BNP PARIBAS
Chennai.

STATE BANK OF INDIA
Industrial Finance Branch, Chennai.

ICICI BANK
Mylapore, Chennai.

HDFC BANK LIMITED
ITC Anna Salai & Mylapore Branch, Chennai.

REGISTERED OFFICE

'NUMERIC HOUSE'
5, Sir P.S. Sivasamy Salai,
Mylapore, Chennai – 600 004
Tel : +91 44 24993266
Fax : +91 44 24995179
Email Id : cg.ird@swelectes.com

Plant Locations:

No	Location of Plant	Details of the plant
1	Coimbatore Kuppaepalayam SF No 166 & 169, Sembagoundan Pudur, No 51, Kuppepalayam Village, Coimbatore 641107	SWELECT 1.1 MW Solar Plant
2	Naranapuram Village, Ponnapuram, Dharapuram Taluk, Tiruppur District	SWELECT 1.5 MW Wind Mill Power Unit
3	58/3 (14 D, D/1) Salem Main Road, Veerappampalayam PO Idappadi-637105, Salem District.	UNIT 3S
4	Monjanur Village, Aravakurichi Taluk, Karur District	SWELECT 12 MW Solar Plant
5	Kollakkudi, Thottiyam Taluk, Trichy District	SWELECT 10 MW Solar plant

AUDITORS

M/s. S.R. Battiboi & Associates, LLP,
Chartered Accountants,
Tidel Park, 6th & 7th Floor - A Block
No.4, Rajiv Gandhi Salai,
Taramani, Chennai - 600113

Secretarial Auditor

Mr. R. Kannan,
Practising Company Secretary
Door No. 6A 10th Street,
New Colony, Adambakkam,
Chennai - 600 088.

Directors' Report

Our Valued Shareholders

We have pleasure in presenting the Twentieth Annual Report and the Audited accounts of the Company for the year ended 31st March 2015.

Financial highlights (Standalone)

(Rs. In Lakhs)

S. No.	Particulars	for the year ended 31/3/2015	for the year ended 31/3/2014
1	Sales / Income from operations	4,887.50	5,240.31
	Less: Taxes and duties	54.49	158.17
2	Net Sales/Income from Operations	4,833.01	5,082.13
3	Other income	2,478.58	2,936.00
	Total Income from Operations	7,311.59	8,018.13
4	Total Expenditure	4,881.95	4,961.30
5	Profit Before Depreciation, Interest and Tax	2,429.64	3,056.83
6	Interest	1,059.90	116.09
7	Depreciation	871.71	446.23
8	Exceptional item	-203.12	-
9	Profit Before Tax	294.91	2,494.51
10	Tax Expense	161.98	-
11	Profit After Tax	132.93	2,494.51
12	Transfer to General Reserve	13.29	249.45
13	Interim Dividend	-	-
14	Proposed Final Dividend	252.65	909.53
15	Tax on Dividend	51.43	154.57
16	Balance Carried Forward	45,248.39	45,432.83
17	Equity Capital	1010.58	1010.58
18	Reserves and Surplus	63,634.44	63,463.29
19	EPS (Rs.)	1.32	24.68

A quick glance of the financial for the last 4 years

Particulars	2011-12	2012-13	2013-14	2014-2015
Total Revenue	53,993.83	15,279.14	8,018.13	7,311.59
EBIDTA	5,024.52	4,141.42	3,056.83	2,429.64
Depreciation	564.96	458.03	446.23	871.71
Interest	103.71	148.29	116.09	1,059.90 *
Exceptional income	-	61,511.77**	-	-
Exceptional item-expenditure	-	-	-	203.12 #
EBT	4,355.85	65,046.87	2,494.51	294.91
EAT	3,463.11	51,079.64	2,494.51	132.93

Note : Previous year's figures have been regrouped / reclassified wherever necessary.

** During the previous year 2012-13, the Company had consummated slump sale of its UPS business comprising operations in India, Singapore and investment in Srilanka as a going concern on a slump sale basis. The net gain arising from the sale has been disclosed as an 'exceptional other income'

Exceptional item - expenditure represents cost of land written off amounting to Rs.203.12 Lakhs (net of recovery) on account of defective title and for which the company is pursuing a legal claim against certain individuals.

* Represents interest paid to banks for the term loans availed during the year for the solar power plant project. Further income on investment in mutual fund (fixed maturity plans) has not been recognised during the year as prescribed under accounting standards.

Transfer to General Reserve

The Company transferred Rs 13.29 lakhs to General reserve out of profits for the year ended 31.3.2015.

Dividend

The Board of Directors has recommended a Dividend of Rs.2.50 per equity share (@ 25% on the equity share capital of the Company), free of tax in the hands of the shareholders, for the year ended 31st March 2015, subject to the approval of the shareholders at the ensuing Annual General meeting of the Company. The Money outflow for the company is Rs.252.65 Lakhs in addition to the dividend distribution tax of Rs.51.43 lakhs.

FINANCIAL HIGHLIGHTS- Consolidated

(Rs. In Lakhs)

S.No	Particulars	For the year ended 31/3/2015	For the year ended 31/3/2014
1	Sales / Income from operations	22,756.04	18,309.79
	Less: Taxes and duties	571.45	665.10
2	Net Sales/Income from Operations	22,184.59	17,644.69
3	Other income	2,678.21	2,685.11
	Total Income from Operations	24,862.80	20,329.81
4	Total Expenditure	21,532.70	17,138.24
5	Profit Before Depreciation, Interest and Tax	3,330.10	3,191.57
6	Interest	1,205.30	341.77
7	Depreciation	1,693.08	999.98
8	Exceptional other Income	-	-
9	Exceptional - expenses	203.12	-
10	Share in loss of associate company	11.79	0.01
11	Profit Before Tax	216.81	1,849.81
12	Tax Expense	254.34	198.94
13	Net (loss) / profit after tax before minority interest	-37.52	1,650.86
14	Minority interest	-	-32.89
15	Net loss / profit for the year	-37.52	1,617.97
16	Balance Carried Forward	-37.52	1,650.86
17	Equity Capital	1,010.58	1,010.58
18	Minority Interest	-	-500.00
19	Preference shares in subsidiary held outside the group	400.00	-
20	Reserves and Surplus	66,789.23	66,831.04
21	EPS (Rs.)	-0.41	15.95

General review of the Business of the Company during the year

In the year 2014-15, while the standalone company revenue has come down by 6.73%, the company has achieved an overall consolidated growth of 25.73%, from INR 176.44 Cr to INR 221.84 Cr. Though the revenue has increased by 25%, the market conditions have resulted in the EBIDTA of Rs.24.29 Cr. compared to EBIDTA of 30.56 Cr. for the previous year. This drop in the EBIDTA is largely associated with overall economic slowdown, US Dollar went up steeply resulting in increased raw materials cost and a steep EURO drop has affected the top line growth and the profitability of our foundries. These challenges will continue to remain but the company is gearing-up for higher efficiency of systems and processes with well-planned expansion and product development.

COMPANY UPDATE:

SWELECT has a total of 30 MW of Solar Installations with a 1.5 MW of Wind farm.

The company has the below products and services in its portfolio

Products

- Solar PV Modules (the present capacity is being enhanced to 100 MW/year)
- Solar Charge Controllers (PWM and MPPT) / Power Converters (DC/AC)
- Solar Inverters (Standalone / off-grid)
- Solar Grid Tie Inverters
- Grid Interactive / Bi-Directional Inverter systems for Mini & Smart grid – well suited for Industrial and rural applications
- Complete range of BoS (balance of Systems) & Module Mounting structures.
- Energy Efficient Lighting

– Projects & Services

- EPC - Roof Top & Utility scale projects
- Retrofit / Solar Power back-up for the existing UPS systems
- Design, Supply, Erection and Commissioning of SPV Farms
- O&M (Operation and Maintenance) of Roof Top & Utility scale projects.
- Mechanical Balance of system and works.
- Electrical Balance of systems and works.
- Project Management services.
- Power Quality Management & Energy audit.

SWELECT is committed to install and commission SPV parks for energy sale to third party and Government through Power Purchase agreement (PPA), Group Captive Energy Sales and emerge as an IPP in the Solar Energy Space.

SWELECT has bid for the JNNISM Phase 2, Batch 1 Solar project and won the bid for 10 MW of Solar Plant capacity under the DCR (Domestic Content Requirement – wherein the cells and the modules have to be made in India). The project has been executed in Musiri, Trichy District in Tamil Nadu and has been commissioned recently.

Awards / Credentials of SWELECT ENERGY SYSTEMS LIMITED

- SD's NO. 1 off grid / roof top solar PV power solution Provider of the year 2014
- SD's NO. 2 SPCU Manufacturer of the year 2014
- SD's NO. 2 Hybrid / Grid sharing solar PV power Solution provider of the year 2014
- SD Award 2014 for having completed the largest numbers of Roof Top Installations in the Country
- A++ SD's Star Green Rating continuous for last 3 years
- Registered with MNRE as "Empanelled Inverter Manufacturer"
- Accredited as Channel Partner for Solar Applications (PV) under JNNISM by MNRE

- Empanelled as Energy Service Company with Bureau of Energy Efficiency (BEE)
- Empanelled with SECI (Solar Energy Corporation of India) for Implementation of Micro and Mini Solar PV Power Plants for Rural Electrification in India
- Empanelled with NREDCAP (AP State and Telangana State) as System Integrators

Subsidiary / Joint Ventures / Associate Companies

HHV SOLAR TECHNOLOGIES LIMITED

During the year 2014-2015 SWELECT acquired 100% equity of HHV Solar Technologies Limited. Now HHV Solar Technologies Limited is a wholly owned subsidiary (WOS) of SWELECT. HHV Solar currently has an installed capacity of 40 MW per annum and capacity addition of 60 MW is under process. This would ensure that a wider customer base is serviced with good Export potential.

Awards / Credentials of HHV SOLAR TECHNOLOGIES LIMITED

- SD's No.3 SPV Panel Manufacturers of the year 2014
- ISO 9001:2008, 14001:2004 and OSHAS 18001:2007 Certified
- Certified of Approval Microgeneration by BRE Global Mark for the Photovoltaic Modules
- IEC Certification for the PV Modules (61215, 61730, 61701)
- ETL Certification for the PV Modules
- cETLus (UL1703, cUL, CEC for USA, Canada)
- Member of Export Promotion Council for EOUs & SEZs for the year 2013-14

FOUNDRY BUSINESS

Amex Alloys Pvt. Ltd. is a wholly owned subsidiary Company of SWELECT doing steel and foundry business. AMEX Alloys is enjoying over 80% export of its quality products (Valve castings) in Low Carbon Steel & Special Alloy Steel for flow control applications and Oil & Gas Industries with customers in Germany, Spain, Italy, France, and UK and in USA.

AMEX Investment Casting Plant: A major milestone in our foundry group - Amex Alloys has established new plant for manufacturing Investment Casting based on lost wax technique, thus becoming the first foundry in India to supply the world with Grey Iron / SG Iron / Low Carbon Steel / Stainless Steel / Special Alloy Steel castings as a one stop solution under one roof by producing Sand castings and investments castings process.

For the third time the Company received Export Excellence Award adjudged by the IIF - organised by Confederation of Indian Industries (CII).

AMEX Irons Pvt Ltd. has been producing Grey and SG iron castings mostly for domestic market (BHEL / TAFE / JOHNSON Lifts etc.) and in the recent times, after SWELECT takeover, has successfully entered into the European markets as well. The Company is witnessing increase in export opportunity in the recent times.

Awards / Credentials of AMEX ALLOYS & AMEX IRONS

- Adjudged by IIF (Institute of Indian Foundrymen) Coimbatore Chapter as the "Best Foundry" award for the year 2011
- Adjudged as the Winner of "Export Excellence Award" in the Small Scale Category for the year 2013
- Adjudged as the Winner of "Export Excellence Award" in the Small Scale Category for the year 2012
- BV Marine Certificate for Steel Castings products
- Certified by DNV (Det Norske Veritas) as "Approved Manufacturer"
- Certified by DNV with NORSOK 650 – for Sand Casting
- Approved by Lloyd's Register as "Approved Manufacturer"
- ISO 9001:2008 Certified by TUV Nord
- Adjudged by Central Boilers Board as "Well known Foundry" for the manufacturing of castings upto a maximum of 650 Kgs / piece in 2011

CLOSURE OF ASSOCIATE AND JOINT VENTURE COMPANIES

During the year SWELECT – Sunpac Power Protection Private Limited (Associate Company) and SWELECT Infrastructure Services Private limited (Joint Venture Company), were struck off under Fast Track Exit (FTE) as these Companies were inoperative for more than five years.

Results of Subsidiary Companies

The financial position of the subsidiaries was included in the consolidated financial statement.

Sl. No.	Name of the Subsidiary Company	Place of incorporation
1	HHV Solar Technologies Limited	Bengaluru, India
2.	Amex Alloys Private Limited	Coimbatore, India
3	Amex Irons Private Limited	Coimbatore, India
4	SWELECT Solar Energy Private Limited	Chennai, India
5	SWELECT Green Energy Solutions Pvt. Ltd	Chennai, India
6	BS Powertech Solutions Private Limited*	Chennai, India
7	SWELECT Energy Systems Pte. Limited	Singapore

* Subsidiary of SWELECT Solar Energy Private Limited.

Deposits

The Company did not receive deposits from the public during the year.

Directors

Change in Directors and Key Managerial Personnel

Mr. R. Chellappan, whose period of office as Managing Director expired on April 30,2015, was appointed as the Managing Director of the Company for a period of 5 years from 1st May 2015 to 30th April 2020 subject to the approval of the Shareholders at the Annual General meeting.

Mr.V. C. Raghunath, Whole Time Director of the Company, Mrs. Vasantha Balan, and Mrs. Jayashree Nachiappan, Non-Executive Directors retire by rotation and being eligible offer themselves for re-appointment.

The Independent Directors Mr. V.M. Sivasubramaniam and Mr. N. Natarajan, were appointed for a period of 5 years and are not liable to retire by rotation. The Independent Directors had a separate meeting on 09.02.2015 to review the performance and evaluation of the Board.

The Independent Directors have confirmed and declared that they are not disqualified to act as an independent Director in compliance with the provisions of section 149 of the Companies Act 2013.

The Profiles of the Mr. R. Chellappan, Managing Director, Mr.V.C. Raghunath, Whole Time Director , Mrs. Vasantha Balan and Mrs. Jayashree Nachiappan are given separately in the Corporate Governance Report.

Transfer of Amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 125 of the Companies Act, 2013 relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from to time to time on the due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28.07.2014 (date of last Annual General Meeting) on the Company's website www.swelectes.com, and also on the Ministry of Corporate Affairs' website.

Board and Committee Meetings

The Board met 7 times during the year. The details regarding the Board meetings, Audit committee meetings, Corporate social responsibility committee meeting, Nomination and remuneration committee meeting etc., are given separately in Corporate Governance report.

Industrial Relations

During the year under review, the Company enjoyed cordial relationship with workers and employees at all levels.

Code of Conduct

All Directors, Key Management personnel and senior management of the Company have confirmed compliance with the code of conduct applicable to the Directors and employees of the Company and a declaration in this effect made by the Managing Director and the Chief Financial officer is attached with this report.

Details of establishment of vigil mechanism for directors and employees

Vigil mechanism has been established in the Company and the policy on the Vigil mechanism is available on the website of the Company www.swelectes.com The Audit Committee looks into the complaints if any raised and reports to the Board.

Disclosure under the Sexual Harassment of women at work place (prevention, prohibition and redressal) Act 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention . Prohibition & Redressal) Act 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-2015.

No. of complaints received during the year : Nil

No. of Complaints disposed off during the year : Nil

Prevention of Insider Trading:

The Company has adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The Board of Directors and the designated employees have confirmed compliance with the Code.

Statutory Auditors

M/s S.R. Batliboi & Associates LLP Statutory auditors of the Company retire at the ensuing Annual General meeting The Board of Directors at their meeting held on 28.05.2015 recommended their re-appointment for the financial year 2015-2016.

There are no qualifications or observations or remarks made by the Auditors in their report.

Secretarial Audit Report

A Secretarial Audit was conducted during the year by the Secretarial Auditor, Mr. R. Kannan, Practicing Company Secretary, in accordance with the provisions of section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is attached in Annexure 2 and forms a part of this Report of the Directors. There are no qualifications or remarks made by the Secretarial Auditor in his Report.

Cost Audit

As per the amended cost audit rules, issued by the Ministry of Corporate Affairs, Cost Audit is not applicable to the Company for the period 2014-2015.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate Section forming part of the Annual Report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The Conservation of energy, technology absorption and foreign exchange earnings and outgo forms part of the Board's report and is given in Annexure 1

Extract of the Annual Return

The Extract of the annual return in Form No. MGT – 9, is being annexed to the report in Annexure 3

Particulars of loans, guarantees or investments under section 186

The Company has provided working capital loan, Guarantee, provided security to the wholly owned subsidiary Companies which is permitted under the Companies Act, 2013. The details of the loans, Guarantee, and security provided are given in detail in the financial statements.

The details of the investments made by the Company are given in the notes to the financial statements.

Particulars of contracts or arrangements with related parties:

In line with the requirements of the Companies Act, 2013 and Equity Listing Agreement, the Company has formulated a Policy on Related Party Transactions which is also available on Company's website at [www.swelectes.com / investor](http://www.swelectes.com/investor). The Policy intends to ensure that proper reporting ; approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

There is no materially significant related party transactions which exceeds 10% of the consolidated Turnover of the Company.

Material Changes and commitments affecting the financial position of the Company which have occurred between 31st March 2015 and 28th May 2015 (date of report).

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year (31st March 2015) and the date of the report (28th May 2015).

Corporate Governance Certificate

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this Report.

A Compliance Certificate from Mr. R. Kannan, Practicing Company Secretary, regarding compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause is annexed to this report.

Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and

- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is given in Annexure 4 in the Annual report.

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, which is available for inspection by the members at the Registered office of the company during business hours on working days of the company. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

Acknowledgement

Your Board places on record its appreciation of the support and co-operation received from the Government of India, State Governments, Financial Institutions, Banks, Suppliers, Customers and Vendors, whom your company looks upon as valued partners in progress. Your Directors also wish to place on record their appreciation for the valuable services rendered by Depositories, Stock Exchanges, and the Registrar and Transfer Agents. Your Directors thank all our valuable Investors who have been with the Company all these years and are also very much pleased to welcome all the new Investors and thank them for their continued patronage and confidence reposed in the Management.

For and on behalf of the Board of Directors

Chennai
28 May 2015

R.CHELLAPPAN
Managing Director

V.C.RAGHUNATH
Director

ANNEXURES TO THE DIRECTORS' REPORT

Annexure 1

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, FOREIGN EXCHANGE ETC.

A.	CONSERVATION OF ENERGY	<p>The Company strives towards continually improving the systems and processes to enable the conservation of energy. Swelect has the OHSAS certification which covers the ISO 14001 Environmental Management as well.</p> <p>Further, the following steps have been taken to ensure energy conservations:</p> <ol style="list-style-type: none"> 1. Capacity addition of Solar based Power generation Systems on all the building rooftops. 2. Machines in the production area run on individually installed solar systems with battery backup. 3. Installation of an innovative Solar based lighting system wherein the direct sunlight is brought into the production area thus saving thousands of watts of lighting units. 4. Development of Solar Power Parks under REC and JNNSM schemes. 	
	RESEARCH & DEVELOPMENT	<ol style="list-style-type: none"> 1. Development of Solar Charge Controllers from 12 V to 96 V ranges for various power requirements. (from 250 W to 5 kW) 2. Development of Solar PCUs for various capacities from 800 VA to 5 kVA and above with inbuilt high efficiency MPPT Solar Chargers and intelligent controller to ensure maximum energy savings for the user. 3. Development of low cost, high strength Solar Module Mounting Structures. 	
B.	1. Specific areas in which R&D carried out by the Company.	<ol style="list-style-type: none"> 1. Increased energy savings for the end user through solar and high efficient power converters. 2. Low cost structures aid in reducing the overall cost of ownership of a solar installation. 3. Improved market penetration with indigenous products. 4. IEC certification of the products. 5. Empanelment with MNRE as a Solar inverter manufacturer. 	
	2. Benefits derived as a result of the above	<ol style="list-style-type: none"> 1. Increased energy savings for the end user through solar and high efficient power converters. 2. Low cost structures aid in reducing the overall cost of ownership of a solar installation. 3. Improved market penetration with indigenous products. 4. IEC certification of the products. 5. Empanelment with MNRE as a Solar inverter manufacturer. 	
	3. Future Plan of Action	The company will continue to invest in resources to improve the existing technology and in development of market suitable products.	
	4. Expenditure on R & D	Rs. in Lakhs	
		2014-15	2013-2014
	a. Capital	41.80	41.69
	b. Recurring	46.80	47.50
	c. Total	88.60	89.19
	d. Total R&D expenditure as percentage of total turnover	1.83	1.75
C.	TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION		
	1. Efforts made towards Technology absorption, adaptation and innovation	External industry interactions were initiated and carried out to improve the product performance.	
	2. Benefits derived as a result of the above	Higher performance products were introduced in the market.	
	3. Technology imported	Nil	

D.	FOREIGN EXCHANGE EARNINGS AND OUTGO:	(Rs. In Lakhs)	(Rs. In Lakhs)
		2014-2015	2013-2014
	Foreign Exchange Earnings :		
	Export at F.O.B. value	-	-
	Royalty and Technical Services	-	-
	Dividend	-	-
	Foreign Exchange Outflow :		
	Import of Machinery & Advance payments.	147.95	5,483.55
	Raw materials	133.17	283.12
	Traded goods	882.68	1,417.38
	Travelling	6.60	10.24
	Freight and Insurance	-	-
	Interest	-	-
	Dividend	47.43	42.16
	Engineering & consultancy	-	245.25

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company is engaged in installing Solar power projects across the Country and is continuously monitoring the Risks and Concerns and taking adequate measures to ensure high level stability and satisfactory performance in all the major areas and introducing necessary back-up processes also.

1. ASSET MANAGEMENT & LOSS PREVENTION

Asset management has been achieved by bar-coding the Current and Non-current assets as well as the entire work in progress in all the plants. Remote monitoring of the logistics results in loss prevention during transit.

2. RISKS AND CONCERNS

The Company continuously monitors business and operations risks through an efficient risk management system. All Key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations such as production, insurance, legal and other issues like health, safety and environment.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Company continuously monitors business and operations risk through an efficient risk management system.

FOREX MANAGEMENT COMMITTEE

The Forex Management committee has been reviewing the day to day forex movements and also has been actively taking the forward contracts with specific underlying transactions as per RBI guidelines.

3. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, the Audit committee undertakes corrective action in the respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

4. FINANCIAL PERFORMANCE

The Management Discussion and Analysis relates to the Standalone audited financial statements of the Company.

FINANCIAL HIGHLIGHTS OF FIVE YEARS PERFORMANCE (Standalone)

(Rs. in lakhs)

S.No.	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
1	Sales / Income from Operations	51,116.67	56,258.90	11,084.71	5,240.30	4,887.50
2	Other Income	322.41	529.62	4,729.31	2,936.00	2,478.58
3	Sales and Other Income (1+2)	51,439.08	56,788.52	15,814.02	8,176.30	7,366.08
4	Less: Taxes and duties	2,538.06	2,794.69	534.88	158.17	54.49
5	Net Sales and Other Income (3-4)	48,901.02	53,993.83	15,279.14	8,018.13	7,311.59
6	Employee Cost	4,641.05	5,713.50	2,006.00	597.69	665.75
7	Other Operating Expenditure	38,595.99	43,255.81	9,131.72	4,363.61	4,216.20
8	Profit before Depreciation, Interest & Tax (5-6-7)	5,663.98	5,024.52	4,141.42	3,056.83	2,429.64
9	Interest	92.48	103.71	148.29	116.09	1,059.90
10	Depreciation	489.74	564.96	458.03	446.23	871.71
11	Exceptional other Income	-	-	61,511.77 **	-	-
12	Exceptional item- Expenditure #	-	-	-	-	203.12#
13	Profit before tax (8-9-10+11-12)	5,081.76	4,355.85	65,046.87	2,494.51	294.91
14	Profit after tax	4,021.90	3,463.11	51,079.64	2,494.51	132.94
15	Net Fixed Assets	6,883.36	7,362.39	7,803.10	14,463.30	15,311.17
16	Capital work-in-progress	178.01	2,038.32	50.88	1,124.93	1,508.40
17	Investments	1,455.70	2,150.70	37,509.79	39,301.06	36,653.37
18	Net Current and Non-Current Assets	20,031.34	18,869.72	21,774.10	20,213.65	23,542.34
19	Total:	28,548.41	30,421.13	67,137.87	75,102.94	77,015.29
20	Share capital	1,010.58	1,010.58	1,010.58	1,010.58	1,010.58
21	Reserves and Surplus	23,053.81	26,164.56	62,204.02	63,634.44	63,463.29
22	Net Worth (20+21)	24,064.39	27,175.14	63,214.60	64,645.02	64,473.88
23	Loan funds	3,850.70	2,591.93	2,700.79	9,235.46	11,156.97
24	Deferred Tax Liability	633.32	654.06	1,222.48	1,222.47	1,384.44
25	Total	28,548.41	30,421.13	67,137.87	75,102.94	77,015.29
26	EPS Rs.	39.80	34.27	34.23	24.68	1.32

Note: Previous year's figures have been regrouped / reclassified wherever necessary.

**During the previous year 2012-13, the Company had consummated slump sale of its UPS business comprising operations in India, Singapore and investment in Srilanka as a going concern on a slump sale basis. The net gain arising from the sale has been disclosed as an 'exceptional other income'

Exceptional item - expenditure represents cost of land written off amounting to Rs. 203.12 Lakhs (net of recovery) on account of defective title and for which the company is pursuing a legal claim against certain individuals.

5. HUMAN RESOURCES

Employees are vital and most valuable assets. The Company has a favourable work environment that encourages innovation and motivation. The Management continues to invest in people through various Learning & Development initiatives and believes in nurturing leaders from within as far as possible and provide opportunities for growth across all levels and derive our ability to maintain our No1 position from them.

The total staff strength of the Company as on 31.3.2014 was 231 which increased to 237 during the year ended 31.3.2015.

6. WELFARE / SOCIAL ACTIVITIES

The Company sponsors several sports and social welfare activities to derive internal team building. EMPLOYEES' WELFARE TRUST is a welfare society with its main object of working towards the welfare of its employees.

The Company also engaged in Corporate Social responsibility activities as prescribed by the Companies Act, 2013. The Company has spent around 34.69 lakhs for the renovation of a school at Sangagiri.

7. QUALITY AND ENVIRONMENT MANAGEMENT

The Company has an Environmental Policy, which is read every morning in the Public Announcement System along with the Quality Policy so as to make the employees conscious of their roles and responsibilities in achieving conformity with the requirements of the quality and environment management system. The Environmental Policy goes as under:

The Company is committed to minimizing the environmental impact of its operations by a fully involved EMS Program, with continual improvement strategies by:

Providing Products and Services that are environmentally sound throughout their lifecycle,

Creating Health & Safety Practices and Work environment,

Strengthening practices to protect the Natural Resources like Land, Air, Water and conservation of Energy,

Complying with all the applicable legal and other requirements and reaching higher standards,

Setting and tracking measurable environmental objectives to mitigate adverse impacts on Environment,

Evaluating and continually improving our Environmental performance.

8. CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis Report describing the Company may be 'Forward Looking Statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

For and on behalf of the Board of Directors

Chennai
28 May 2015

R.CHELLAPPAN
Managing Director

V.C.RAGHUNATH
Director

CEO AND CFO CERTIFICATION

(Pursuant to clause 49 of the Listing agreement)

Date: 28.05.2015

The Board of Directors
SWELECT Energy Systems Limited
'Numeric House'
No.5, Sir P. S. Sivasamy Salai
Mylapore
Chennai – 600 004

Certification by Chief Executive Officer and Chief financial Officer

We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2015 and to the best of our knowledge and belief we hereby certify that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year April 2014 – March 2015 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company. Based on our most recent evaluation, no deficiencies in the design or operation of controls were noted.
5. We have indicated to the auditors and the Audit Committee that:
 - (a) There are no significant changes in internal control over financial reporting during the year.
 - (b) There are no significant changes in accounting policies during the year.
 - (c) There have been no instances of fraud.

We further declare that all Board Members and Senior Managerial personnel have affirmed compliance with the code of conduct for the current year.

R. CHELLAPPAN

Managing Director

P. JAGAN

Chief Financial Officer

ANNEXURE 2
Form No.MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Swelect Energy Systems Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Swelect Energy Systems Limited (here in after called the company). Secretarial Audit was conducted in a manner that provided me / a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion there on.

Based on my verification of M/s Swelect Energy Systems Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Swelect Energy Systems Limited** ("the Company") for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) The other laws as may be applicable specifically to the company in our opinion
 - (a) Electricity Act;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I report that there were no actions / events in pursuance of

- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring Compliance thereof by the Company during the year under review and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.

I further report that, based on the information provided by the Company, its officers and authorised representatives during the conduct of audit, and also on review of quarterly compliance reports by respective department heads / company secretary, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with other applicable laws such as Labour Laws and Environmental Laws

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the company's affairs.

Place: Chennai
Date: 28.05.2015

R Kannan
Practicing Company Secretary
FCS No: 6718
C P No: 3363

ANNEXURE-3
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L93090TN1994PLC028578
Registration Date	12/09/1994
Name of the Company	Swelect Energy Systems Limited
Category/ Sub-Category of the Company	Company Limited by Shares
Address of the Registered office and contact details	NUMERIC HOUSE NO.5, SIR P.S.SIVASAMI SALAI, MYLAPORE, CHENNAI, Tamil Nadu-600004, info@swelectes.com , cg.ird@swelectes.com . Ph: 044-24993266, Fax:044-24995179
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Ltd. "Subramanian Building", No.1, 5 th Floor, Club House Road, Chennai - 600002, Tamil Nadu. Ph: +91 44 28460390

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl.No	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Power generation using solar energy	40106	18.43
2	Sale of product		
	- Contract manufacturing - UPS & accessories	31104	9.79
	- Solar Energy product & accessories	31101	64.04

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No	Name and Address of the company	CIN/GLN	Holding / Subsidiary / associate	% of Shares Held	Applicable Section
1	AMEX ALLOYS PRIVATE LIMITED, SF No.289/2,KUNNATHUR PUDUR (PO), SATHY ROAD, COIMBATORE, Tamil Nadu-641107	U27310TZ2003PTC010905	Subsidiary Company	100%	Section 2(87)
2	AMEX IRONS PRIVATE LIMITED, S.F.No.288, Kunnathur Pudur (PO), Sathy Road, Coimbatore, Tamil Nadu-641107	U27310TZ2006PTC012783	Subsidiary Company	100%	Section 2(87)
3	SWELECT GREEN ENERGY SOLUTIONS PRIVATE LIMITED, 'NUMERIC HOUSE' No. 5, Sir P.S.Sivasamy Salai, Mylapore, Chennai, Tamil Nadu-600004	U31100TN2010PTC078425	Subsidiary Company	100%	Section 2(87)
4	SWELECT SOLAR ENERGY PRIVATE LIMITED, 'NUMERIC HOUSE' No. 5, Sir P.S.Sivasamy Salai, Mylapore, Chennai, Tamil Nadu-600004	U31104TN2008PTC068923	Subsidiary Company	100%	Section 2(87)
5	HHV SOLAR TECHNOLOGIES LIMITED, NO. 31, 32, 33, 34 & 37, KIADB Industrial Area, Dapaspet, Nelamangala Taluk, Bangalore-562 111	U31902KA2007PLC044766	Subsidiary Company	100%	Section 2(87)
6	BS POWERTECH SOLUTIONS PRIVATE LIMITED, 'NUMERIC HOUSE' No. 5, Sir P.S.Sivasamy Salai, Mylapore, Chennai, Tamil Nadu-600004	U40104TN2011PTC079764	Step down subsidiary of SWELECT Solar Energy Private Limited	100% held by SWELECT Solar Energy Private Limited	Section 2(87)
7	SWELECT POWER SYSTEMS PRIVATE LIMITED, 'NUMERIC HOUSE' NO 5, Sir P.S.Sivasamy Salai, Mylapore, Chennai, Tamil Nadu-600004	U31103TN2012PTC084184	Subsidiary Company	0% (Management Control)	Section 2(87)
8	SWELECT TECHNOLOGIES PRIVATE LIMITED, P.S.Sivasamy Salai, Mylapore, Chennai, Tamilnadu-600004	U72200TN1999PTC042082	Subsidiary Company	0% (Management Control)	Section 2(87)
9	SWELECT ELECTRONICS PRIVATE LIMITED, Industrial Estate, Perungudi, Chennai	U29142TN1988PTC015684	Subsidiary Company	0% (Management Control)	Section 2(87)
10	SWELECT ENERGY SYSTEEMS PTE LIMITED, 2 Kallang Pudding Road # 02-12 Mactech Building, Singapore - 349307	NOT APPLICABLE (COMPANY REGISTERED OUTSIDE INDIA), (ie), Singapore	Subsidiary Company	100%	Section 2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	5674380	0	5674380	56.1495	5705142	0	5705142	56.4539	0.3043
b.	CENTRAL GOVERNMENT / STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	30	0	30	0.0002	30	0	30	0.0002	0.0000
d.	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A) (1)	5674410	0	5674410	56.1498	5705172	0	5705172	56.4542	0.3043
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS / FOREIGN INDIVIDUALS)	810778	0	810778	8.0228	810770	0	810770	8.0227	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A) (2)	810778	0	810778	8.0228	810770	0	810770	8.0227	0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	6485188	0	6485188	64.1726	6515942	0	6515942	64.4769	0.3043

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS / UTI	106000	0	106000	1.0488	136780	0	136780	1.3534	0.3045
b.	FINANCIAL INSTITUTIONS / BANKS	1759	0	1759	0.0174	2745	0	2745	0.0271	0.0097
c.	CENTRAL GOVERNMENT / STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	SUB - TOTAL (B)(1)	107759	0	107759	1.0663	139525	0	139525	1.3806	0.3143
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	313347	1200	314547	3.1125	208492	800	209292	2.0710	-1.0415
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	1706995	111837	1818832	17.9978	1601638	91054	1692692	16.7496	-1.2481
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	977889	10350	988239	9.7788	1160437	0	1160437	11.4828	1.7039
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	11524	0	11524	0.1140	8065	0	8065	0.0798	-0.0342
	DIRECTORS AND THEIR RELATIVES	225	0	225	0.0022	225	0	225	0.0022	0.0000

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	HINDU UNDIVIDED FAMILIES	104164	1	104165	1.0307	106085	1	106086	1.0497	0.0190
	NON RESIDENT INDIANS	157760	0	157760	1.5610	155975	0	155975	1.5434	-0.0176
	TRUSTS	117601	0	117601	1.1636	117601	0	117601	1.1636	0.0000
	Total	391274	1	391275	3.8717	387951	1	387952	3.8388	-0.0328
	SUB - TOTAL (B)(2)	3389505	123388	3512893	34.7610	3358518	91855	3450373	34.1423	-0.6186
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	3497264	123388	3620652	35.8273	3498043	91855	3589898	35.5230	0.0154
	TOTAL (A)+(B)	9982452	123388	10105840	100.0000	10013985	91855	10105840	100.0000	0.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	9982452	123388	10105840	100.0000	10013985	91855	10105840	100.0000	0.0000

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	CHELLAPPAN. R	4747054	46.9733	0.0000	4747054	46.9733	0.0000	0.0000
2	BALAN A	308094	3.0486	0.0000	308094	3.0486	0.0000	0.0000
3	SARAH V RAJASEKHAR	228200	2.2581	0.0000	228200	2.2581	0.0000	0.0000
4	NACHIAPPAN K.V.	110232	1.0907	0.0000	110232	1.0907	0.0000	0.0000
5	R. VEERAMANI . .	100000	0.9895	0.0000	100000	0.9895	0.0000	0.0000
6	BHAGYALAKSHMI SUNDARAM	93900	0.9291	0.0000	93900	0.9291	0.0000	0.0000
7	M K BALASUBRAMANIAN	85000	0.8410	0.0000	85000	0.8410	0.0000	0.0000
8	GUNASUNDARI. C	82086	0.8122	0.0000	82086	0.8122	0.0000	0.0000

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
9	CHANDRA PARAMASIVAM	80000	0.7916	0.0000	80008	0.7917	0.0000	0.0000
10	JOHN J DHYANCHAND	68900	0.6817	0.0000	68900	0.6817	0.0000	0.0000
11	SHARFUDHEEN A K SHEIK JT1 : IQBAL SHEIK	47400	0.4690	0.0000	47400	0.4690	0.0000	0.0000
12	VATTUR S RAJENDRAN	47100	0.4660	0.0000	47100	0.4660	0.0000	0.0000
13	KASI K GOUNDAN	46800	0.4630	0.0000	46800	0.4630	0.0000	0.0000
14	MIKE K MANICKAM	42600	0.4215	0.0000	42600	0.4215	0.0000	0.0000
15	MIRUNALINI V C	40508	0.4008	0.0000	41962	0.4152	0.0000	0.0143
16	RICHARD J DHYANCHAND	38900	0.3849	0.0000	38900	0.3849	0.0000	0.0000
17	RAGHUNATH V C	38800	0.3839	0.0000	38800	0.3839	0.0000	0.0000
18	ALFRED VIDYA SAGAR	34938	0.3457	0.0000	34938	0.3457	0.0000	0.0000
19	GEETHA SIVANANDAM	30000	0.2968	0.0000	30000	0.2968	0.0000	0.0000
20	THANGAMANI	29600	0.2928	0.0000	29600	0.2928	0.0000	0.0000
21	MARY BHARATALAKSHMI SAGAR	28332	0.2803	0.0000	28332	0.2803	0.0000	0.0000
22	SARASWATHI GOUNDAN	27900	0.2760	0.0000	27900	0.2760	0.0000	0.0000
23	CHANDRASEKARAN	22000	0.2176	0.0000	0	0.0000	0.0000	0.2176
	HAVING SAME PAN							
23	K P CHANDRASEKARAN	0	0.0000	0.0000	22500	0.2226	0.0000	0.2226
24	CHITRA SIVANANDAM	20000	0.1979	0.0000	20000	0.1979	0.0000	0.0000
25	KARTHIK BALASUBRAMANIAN	18600	0.1840	0.0000	18600	0.1840	0.0000	0.0000
26	MALAR BALASUBRAMANIAN	18600	0.1840	0.0000	18600	0.1840	0.0000	0.0000
27	SUMATHI BALASUBRAMANIAN	18600	0.1840	0.0000	18600	0.1840	0.0000	0.0000
28	S.R.KUMAR	13000	0.1286	0.0000	5000	0.0494	0.0000	-0.0791
29	RISHII NANDHAN K N	10000	0.0989	0.0000	10000	0.0989	0.0000	0.0000
30	VASANTHA B	7056	0.0698	0.0000	7056	0.0698	0.0000	0.0000
31	G.RAMASUBRAMANIAN .	850	0.0084	0.0000	850	0.0084	0.0000	0.0000

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
32	JAYASHREE NACHIAPPAN	100	0.0009	0.0000	100	0.0009	0.0000	0.0000
33	SWELECT ELECTRONICS PRIVATE LIMITED	30	0.0002	0.0000	30	0.0002	0.0000	0.0000
34	SIVA C PARAMASIVAM	8	0.0000	0.0000	0	0.0000	0.0000	0.0000
35	ARTHANARI GOUNDER	0	0.0000	0.0000	36600	0.3621	0.0000	0.3621
36	AARTHI BALAN	0	0.0000	0.0000	200	0.0019	0.0000	0.0019

(iii) Changes in promoters' Shareholding

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	CHELLAPPAN. R				
	At the beginning of the year 01-Apr-2014	4747054	46.9733	4747054	46.9733
	At the end of the Year 31-Mar-2015	4747054	46.9733	4747054	46.9733
2	BALAN A				
	At the beginning of the year 01-Apr-2014	308094	3.0486	308094	3.0486
	At the end of the Year 31-Mar-2015	308094	3.0486	308094	3.0486
3	SARAH V RAJASEKHAR				
	At the beginning of the year 01-Apr-2014	228200	2.2581	228200	2.2581
	At the end of the Year 31-Mar-2015	228200	2.2581	228200	2.2581
4	NACHIAPPAN K.V.				
	At the beginning of the year 01-Apr-2014	110232	1.0907	110232	1.0907
	At the end of the Year 31-Mar-2015	110232	1.0907	110232	1.0907
5	R. VEERAMANI				
	At the beginning of the year 01-Apr-2014	100000	0.9895	100000	0.9895
	At the end of the Year 31-Mar-2015	100000	0.9895	100000	0.9895
6	BHAGYALAKSHMI SUNDARAM				
	At the beginning of the year 01-Apr-2014	93900	0.9291	93900	0.9291
	At the end of the Year 31-Mar-2015	93900	0.9291	93900	0.9291
7	M K BALASUBRAMANIAN				
	At the beginning of the year 01-Apr-2014	85000	0.8410	85000	0.8410
	At the end of the Year 31-Mar-2015	85000	0.8410	85000	0.8410
8	GUNASUNDARI C				
	At the beginning of the year 01-Apr-2014	82086	0.8122	82086	0.8122
	At the end of the Year 31-Mar-2015	82086	0.8122	82086	0.8122

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
9	CHANDRA PARAMASIVAM				
	At the beginning of the year 01-Apr-2014	80000	0.7916	80000	0.7916
	Purchase 23-May-2014	8	0.0000	80008	0.7917
	At the end of the Year 31-Mar-2015	80008	0.7917	80008	0.7917
10	JOHN J DHYANCHAND				
	At the beginning of the year 01-Apr-2014	68900	0.6817	68900	0.6817
	At the end of the Year 31-Mar-2015	68900	0.6817	68900	0.6817
11	SHARFUDHEEN A K SHEIK JT1 : IQBAL SHEIK				
	At the beginning of the year 01-Apr-2014	47400	0.4690	47400	0.4690
	At the end of the Year 31-Mar-2015	47400	0.4690	47400	0.4690
12	VATTUR S RAJENDRAN				
	At the beginning of the year 01-Apr-2014	47100	0.4660	47100	0.4660
	At the end of the Year 31-Mar-2015	47100	0.4660	47100	0.4660
13	KASI K GOUNDAN				
	At the beginning of the year 01-Apr-2014	46800	0.4630	46800	0.4630
	At the end of the Year 31-Mar-2015	46800	0.4630	46800	0.4630
14	MIKE K MANICKAM				
	At the beginning of the year 01-Apr-2014	42600	0.4215	42600	0.4215
	At the end of the Year 31-Mar-2015	42600	0.4215	42600	0.4215
15	MIRUNALINI V C				
	At the beginning of the year 01-Apr-2014	40508	0.4008	40508	0.4008
	Purchase 18-Jul-2014	999	0.0098	41507	0.4107
	Purchase 08-Aug-2014	1	0.0000	41508	0.4107
	Purchase 17-Oct-2014	30	0.0002	41538	0.4110
	Purchase 05-Dec-2014	100	0.0009	41638	0.4120
	Purchase 19-Dec-2014	274	0.0027	41912	0.4147
	Purchase 31-Dec-2014	50	0.0004	41962	0.4152
	At the end of the Year 31-Mar-2015	41962	0.4152	41962	0.4152
16	RICHARD J DHYANCHAND				
	At the beginning of the year 01-Apr-2014	38900	0.3849	38900	0.3849
	At the end of the Year 31-Mar-2015	38900	0.3849	38900	0.3849
17	RAGHUNATH V C				
	At the beginning of the year 01-Apr-2014	38800	0.3839	38800	0.3839
	At the end of the Year 31-Mar-2015	38800	0.3839	38800	0.3839
18	ALFRED VIDYA SAGAR				
	At the beginning of the year 01-Apr-2014	34938	0.3457	34938	0.3457
	At the end of the Year 31-Mar-2015	34938	0.3457	34938	0.3457

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
19	GEETHA SIVANANDAM				
	At the beginning of the year 01-Apr-2014	30000	0.2968	30000	0.2968
	At the end of the Year 31-Mar-2015	30000	0.2968	30000	0.2968
20	THANGAMANI				
	At the beginning of the year 01-Apr-2014	29600	0.2928	29600	0.2928
	At the end of the Year 31-Mar-2015	29600	0.2928	29600	0.2928
21	MARY BHARATALAKSHMI SAGAR				
	At the beginning of the year 01-Apr-2014	28332	0.2803	28332	0.2803
	At the end of the Year 31-Mar-2015	28332	0.2803	28332	0.2803
22	SARASWATHI GOUNDAN				
	At the beginning of the year 01-Apr-2014	27900	0.2760	27900	0.2760
	At the end of the Year 31-Mar-2015	27900	0.2760	27900	0.2760
23	CHANDRASEKARAN				
	At the beginning of the year 01-Apr-2014	22000	0.2176	22000	0.2176
	Sale 20-Mar-2015	-22000	0.2176	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
	HAVING SAME PAN				
23	K P CHANDRASEKARAN				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 13-Mar-2015	150	0.0014	150	0.0014
	Purchase 20-Mar-2015	22120	0.2188	22270	0.2203
	Purchase 27-Mar-2015	230	0.0022	22500	0.2226
	At the end of the Year 31-Mar-2015	22500	0.2226	22500	0.2226
24	CHITRA SIVANANDAM				
	At the beginning of the year 01-Apr-2014	20000	0.1979	20000	0.1979
	At the end of the Year 31-Mar-2015	20000	0.1979	20000	0.1979
25	KARTHIK BALASUBRAMANIAN				
	At the beginning of the year 01-Apr-2014	18600	0.1840	18600	0.1840
	At the end of the Year 31-Mar-2015	18600	0.1840	18600	0.1840
26	MALAR BALASUBRAMANIAN				
	At the beginning of the year 01-Apr-2014	18600	0.1840	18600	0.1840
	At the end of the Year 31-Mar-2015	18600	0.1840	18600	0.1840
27	SUMATHI BALASUBRAMANIAN				
	At the beginning of the year 01-Apr-2014	18600	0.1840	18600	0.1840
	At the end of the Year 31-Mar-2015	18600	0.1840	18600	0.1840

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
28	S.R.KUMAR				
	At the beginning of the year 01-Apr-2014	13000	0.1286	13000	0.1286
	Sale 28-Nov-2014	-8000	0.0791	5000	0.0494
	At the end of the Year 31-Mar-2015	5000	0.0494	5000	0.0494
29	RISHII NANDHAN K N				
	At the beginning of the year 01-Apr-2014	10000	0.0989	10000	0.0989
	At the end of the Year 31-Mar-2015	10000	0.0989	10000	0.0989
30	VASANTHA B				
	At the beginning of the year 01-Apr-2014	7056	0.0698	7056	0.0698
	At the end of the Year 31-Mar-2015	7056	0.0698	7056	0.0698
31	G.RAMASUBRAMANIAN				
	At the beginning of the year 01-Apr-2014	850	0.0084	850	0.0084
	At the end of the Year 31-Mar-2015	850	0.0084	850	0.0084
32	JAYASHREE NACHIAPPAN				
	At the beginning of the year 01-Apr-2014	100	0.0009	100	0.0009
	At the end of the Year 31-Mar-2015	100	0.0009	100	0.0009
33	SWELECT ELECTRONICS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2014	30	0.0002	30	0.0002
	At the end of the Year 31-Mar-2015	30	0.0002	30	0.0002
34	SIVA C PARAMASIVAM				
	At the beginning of the year 01-Apr-2014	8	0.0000	8	0.0000
	Sale 23-May-2014	-8	0.0000	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
35	ARTHANARI GOUNDER				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 20-Feb-2015	36600	0.3621	36600	0.3621
	At the end of the Year 31-Mar-2015	36600	0.3621	36600	0.3621
36	AARTHI BALAN				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Demated 29-Aug-2014	200	0.0019	200	0.0019
	At the end of the Year 31-Mar-2015	200	0.0019	200	0.0019

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	K.SATISH				
	At the beginning of the year 01-Apr-2014	120201	1.1894	120201	1.1894
	At the end of the Year 31-Mar-2015	120201	1.1894	120201	1.1894
2	NPSL EMPLOYEES WELFARE TRUST				
	At the beginning of the year 01-Apr-2014	117600	1.1636	117600	1.1636
	At the end of the Year 31-Mar-2015	117600	1.1636	117600	1.1636
3	ZEN SECURITIES LTD				
	At the beginning of the year 01-Apr-2014	107300	1.0617	107300	1.0617
	Sale 02-May-2014	-8563	0.0847	98737	0.9770
	Sale 09-May-2014	-2617	0.0258	96120	0.9511
	Sale 30-May-2014	-3666	0.0362	92454	0.9148
	Sale 13-Jun-2014	-32454	0.3211	60000	0.5937
	Sale 11-Jul-2014	-10000	0.0989	50000	0.4947
	Sale 12-Sep-2014	-9994	0.0988	40006	0.3958
	Sale 30-Jan-2015	-3963	0.0392	36043	0.3566
	Sale 06-Feb-2015	-6592	0.0652	29451	0.2914
	Sale 20-Feb-2015	-4451	0.0440	25000	0.2473
	Sale 27-Feb-2015	-8760	0.0866	16240	0.1606
	Sale 06-Mar-2015	-16240	0.1606	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	ZEN SECURITIES LTD- NSE CLIENTS A/C				
	At the beginning of the year 01-Apr-2014	1242	0.0122	1242	0.0122
	Purchase 04-Apr-2014	8395	0.0830	9637	0.0953
	Sale 11-Apr-2014	-1808	0.0178	7829	0.0774
	Sale 18-Apr-2014	-6493	0.0642	1336	0.0132
	Purchase 25-Apr-2014	10926	0.1081	12262	0.1213
	Sale 02-May-2014	-9309	0.0921	2953	0.0292
	Purchase 09-May-2014	661	0.0065	3614	0.0357
	Sale 16-May-2014	-2447	0.0242	1167	0.0115
	Purchase 23-May-2014	3577	0.0353	4744	0.0469
	Sale 30-May-2014	-1566	0.0154	3178	0.0314
	Sale 06-Jun-2014	-183	0.0018	2995	0.0296
	Purchase 13-Jun-2014	2435	0.0240	5430	0.0537
	Purchase 20-Jun-2014	1820	0.0180	7250	0.0717

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 26-Jun-2014	-2515	0.0248	4735	0.0468
	Sale 30-Jun-2014	-3529	0.0349	1206	0.0119
	Sale 04-Jul-2014	-10	0.0000	1196	0.0118
	Purchase 11-Jul-2014	89	0.0008	1285	0.0127
	Sale 18-Jul-2014	-109	0.0010	1176	0.0116
	Purchase 25-Jul-2014	505	0.0049	1681	0.0166
	Sale 01-Aug-2014	-45	0.0004	1636	0.0161
	Purchase 08-Aug-2014	100	0.0009	1736	0.0171
	Purchase 22-Aug-2014	100	0.0009	1836	0.0181
	Purchase 29-Aug-2014	480	0.0047	2316	0.0229
	Purchase 05-Sep-2014	25	0.0002	2341	0.0231
	Sale 12-Sep-2014	-495	0.0048	1846	0.0182
	Sale 19-Sep-2014	-114	0.0011	1732	0.0171
	Sale 30-Sep-2014	-341	0.0033	1391	0.0137
	Purchase 10-Oct-2014	244	0.0024	1635	0.0161
	Purchase 17-Oct-2014	361	0.0035	1996	0.0197
	Sale 24-Oct-2014	-800	0.0079	1196	0.0118
	Purchase 31-Oct-2014	320	0.0031	1516	0.0150
	Sale 07-Nov-2014	-32	0.0003	1484	0.0146
	Purchase 14-Nov-2014	447	0.0044	1931	0.0191
	Sale 21-Nov-2014	-240	0.0023	1691	0.0167
	Sale 28-Nov-2014	-220	0.0021	1471	0.0145
	Purchase 12-Dec-2014	78	0.0007	1549	0.0153
	Purchase 19-Dec-2014	878	0.0086	2427	0.0240
	Sale 31-Dec-2014	-1773	0.0175	654	0.0064
	Sale 09-Jan-2015	-100	0.0009	554	0.0054
	Purchase 16-Jan-2015	40	0.0003	594	0.0058
	Purchase 23-Jan-2015	60	0.0005	654	0.0064
	Purchase 30-Jan-2015	30	0.0002	684	0.0067
	Sale 06-Feb-2015	-25	0.0002	659	0.0065
	Sale 13-Feb-2015	-298	0.0029	361	0.0035
	Sale 20-Feb-2015	-45	0.0004	316	0.0031
	Sale 06-Mar-2015	-25	0.0002	291	0.0028
	Purchase 13-Mar-2015	150	0.0014	441	0.0043
	Purchase 20-Mar-2015	10	0.0000	451	0.0044
	Sale 31-Mar-2015	-283	0.0028	168	0.0016
	At the end of the Year 31-Mar-2015	168	0.0016	168	0.0016
	HAVING SAME PAN				
3	ZEN SECURITIES LTD-BSE CLIENTS A/C				
	At the beginning of the year 01-Apr-2014	266	0.0026	266	0.0026
	Purchase 04-Apr-2014	2387	0.0236	2653	0.0262
	Sale 11-Apr-2014	-1981	0.0196	672	0.0066
	Purchase 02-May-2014	3539	0.0350	4211	0.0416
	Purchase 09-May-2014	299	0.0029	4510	0.0446
	Sale 16-May-2014	-3838	0.0379	672	0.0066

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 23-May-2014	-125	0.0012	547	0.0054
	Purchase 06-Jun-2014	50	0.0004	597	0.0059
	Purchase 13-Jun-2014	376	0.0037	973	0.0096
	Purchase 20-Jun-2014	269	0.0026	1242	0.0122
	Sale 26-Jun-2014	-264	0.0026	978	0.0096
	Sale 30-Jun-2014	-550	0.0054	428	0.0042
	Purchase 18-Jul-2014	25	0.0002	453	0.0044
	Sale 25-Jul-2014	-25	0.0002	428	0.0042
	Sale 14-Aug-2014	-6	0.0000	422	0.0041
	Sale 29-Aug-2014	-20	0.0001	402	0.0039
	Sale 12-Sep-2014	-75	0.0007	327	0.0032
	Sale 19-Sep-2014	-41	0.0004	286	0.0028
	Sale 30-Sep-2014	-50	0.0004	236	0.0023
	Sale 17-Oct-2014	-156	0.0015	80	0.0007
	Purchase 31-Oct-2014	32	0.0003	112	0.0011
	Purchase 14-Nov-2014	18	0.0001	130	0.0012
	Sale 28-Nov-2014	-130	0.0012	0	0.0000
	Purchase 19-Dec-2014	197	0.0019	197	0.0019
	Sale 16-Jan-2015	-187	0.0018	10	0.0000
	Sale 23-Jan-2015	-10	0.0000	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	ZEN SECURITIES LIMITED				
	At the beginning of the year 01-Apr-2014	25	0.0002	25	0.0002
	Purchase 04-Apr-2014	1975	0.0195	2000	0.0197
	Sale 11-Apr-2014	-2000	0.0197	0	0.0000
	Purchase 18-Apr-2014	3771	0.0373	3771	0.0373
	Sale 25-Apr-2014	-3771	0.0373	0	0.0000
	Purchase 02-May-2014	50	0.0004	50	0.0004
	Sale 09-May-2014	-50	0.0004	0	0.0000
	Purchase 23-May-2014	1000	0.0098	1000	0.0098
	Sale 30-May-2014	-330	0.0032	670	0.0066
	Sale 06-Jun-2014	-570	0.0056	100	0.0009
	Sale 13-Jun-2014	-100	0.0009	0	0.0000
	Purchase 20-Jun-2014	2	0.0000	2	0.0000
	Sale 26-Jun-2014	-2	0.0000	0	0.0000
	Purchase 04-Jul-2014	251	0.0024	251	0.0024
	Sale 11-Jul-2014	-201	0.0019	50	0.0004
	Purchase 18-Jul-2014	820	0.0081	870	0.0086
	Sale 25-Jul-2014	-870	0.0086	0	0.0000
	Purchase 14-Aug-2014	171	0.0016	171	0.0016
	Sale 22-Aug-2014	-171	0.0016	0	0.0000
	Purchase 29-Aug-2014	10	0.0000	10	0.0000
	Purchase 05-Sep-2014	114	0.0011	124	0.0012
	Sale 12-Sep-2014	-124	0.0012	0	0.0000

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 19-Sep-2014	100	0.0009	100	0.0009
	Sale 30-Sep-2014	-100	0.0009	0	0.0000
	Purchase 10-Oct-2014	358	0.0035	358	0.0035
	Sale 17-Oct-2014	-58	0.0005	300	0.0029
	Sale 24-Oct-2014	-250	0.0024	50	0.0004
	Purchase 31-Oct-2014	2	0.0000	52	0.0005
	Sale 07-Nov-2014	-20	0.0001	32	0.0003
	Sale 14-Nov-2014	-32	0.0003	0	0.0000
	Purchase 05-Dec-2014	433	0.0042	433	0.0042
	Sale 12-Dec-2014	-197	0.0019	236	0.0023
	Sale 19-Dec-2014	-236	0.0023	0	0.0000
	Purchase 31-Dec-2014	100	0.0009	100	0.0009
	Purchase 02-Jan-2015	371	0.0036	471	0.0046
	Sale 09-Jan-2015	-471	0.0046	0	0.0000
	Purchase 16-Jan-2015	220	0.0021	220	0.0021
	Sale 23-Jan-2015	-55	0.0005	165	0.0016
	Purchase 30-Jan-2015	7	0.0000	172	0.0017
	Purchase 06-Feb-2015	288	0.0028	460	0.0045
	Sale 13-Feb-2015	-410	0.0040	50	0.0004
	Purchase 20-Feb-2015	2317	0.0229	2367	0.0234
	Sale 27-Feb-2015	-2367	0.0234	0	0.0000
	Purchase 31-Mar-2015	20	0.0001	20	0.0001
	At the end of the Year 31-Mar-2015	20	0.0001	20	0.0001
4	ANIL KUMAR GOEL				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 25-Apr-2014	104400	1.0330	104400	1.0330
	Sale 06-Feb-2015	-1000	0.0098	103400	1.0231
	Sale 20-Feb-2015	-1400	0.0138	102000	1.0093
	At the end of the Year 31-Mar-2015	102000	1.0093	102000	1.0093
5	HITESH SATISHCHANDRA DOSHI JT1 : BHANU SATISHCHANDRA DOSHI				
	At the beginning of the year 01-Apr-2014	87911	0.8699	87911	0.8699
	Purchase 04-Apr-2014	6500	0.0643	94411	0.9342
	Purchase 11-Apr-2014	46451	0.4596	140862	1.3938
	Purchase 18-Apr-2014	31155	0.3082	172017	1.7021
	Purchase 25-Apr-2014	17319	0.1713	189336	1.8735
	Purchase 02-May-2014	27719	0.2742	217055	2.1478
	Purchase 09-May-2014	2016	0.0199	219071	2.1677
	Purchase 16-May-2014	6000	0.0593	225071	2.2271
	Purchase 13-Jun-2014	8491	0.0840	233562	2.3111
	Purchase 20-Jun-2014	30873	0.3054	264435	2.6166
	Purchase 26-Jun-2014	1250	0.0123	265685	2.6290

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 30-Jun-2014	-60000	0.5937	205685	2.0353
	Purchase 04-Jul-2014	2000	0.0197	207685	2.0550
	Purchase 14-Aug-2014	2500	0.0247	210185	2.0798
	Purchase 12-Dec-2014	800	0.0079	210985	2.0877
	Purchase 19-Dec-2014	7634	0.0755	218619	2.1632
	Sale 31-Dec-2014	-8462	0.0837	210157	2.0795
	Purchase 02-Jan-2015	528	0.0052	210685	2.0847
	Purchase 09-Jan-2015	410	0.0040	211095	2.0888
	Purchase 16-Jan-2015	567	0.0056	211662	2.0944
	Purchase 27-Feb-2015	500	0.0049	212162	2.0993
	Purchase 06-Mar-2015	1100	0.0108	213262	2.1102
	Purchase 27-Mar-2015	4639	0.0459	217901	2.1561
	Purchase 31-Mar-2015	806	0.0079	218707	2.1641
	At the end of the Year 31-Mar-2015	218707	2.1641	218707	2.1641
6	SBI SMALL AND MIDCAP FUND				
	At the beginning of the year 01-Apr-2014	77000	0.7619	77000	0.7619
	Sale 11-Apr-2014	-77000	0.7619	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
	HAVING SAME PAN				
6	SBI MAGNUM BALANCED FUND				
	At the beginning of the year 01-Apr-2014	29000	0.2869	29000	0.2869
	Sale 04-Jul-2014	-2772	0.0274	26228	0.2595
	Sale 11-Jul-2014	-7954	0.0787	18274	0.1808
	Sale 25-Jul-2014	-692	0.0068	17582	0.1739
	Sale 08-Aug-2014	-3716	0.0367	13866	0.1372
	Sale 22-Aug-2014	-13866	0.1372	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
7	RAMACHANDRAN R				
	At the beginning of the year 01-Apr-2014	62400	0.6174	62400	0.6174
	At the end of the Year 31-Mar-2015	62400	0.6174	62400	0.6174
8	ESWARA GOUNDAN N				
	At the beginning of the year 01-Apr-2014	62400	0.6174	62400	0.6174
	At the end of the Year 31-Mar-2015	62400	0.6174	62400	0.6174
9	SATISHCHANDRA SHANTILAL DOSHI JT1 : BHANU SATISHCHANDRA DOSHI				
	At the beginning of the year 01-Apr-2014	61738	0.6109	61738	0.6109
	Purchase 04-Apr-2014	3602	0.0356	65340	0.6465

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 11-Apr-2014	2398	0.0237	67738	0.6702
	Purchase 02-May-2014	1500	0.0148	69238	0.6851
	Purchase 09-May-2014	1700	0.0168	70938	0.7019
	Purchase 30-Jun-2014	20000	0.1979	90938	0.8998
	Purchase 20-Mar-2015	1000	0.0098	91938	0.9097
	Purchase 27-Mar-2015	2258	0.0223	94196	0.9320
	Purchase 31-Mar-2015	1000	0.0098	95196	0.9419
	At the end of the Year 31-Mar-2015	95196	0.9419	95196	0.9419
10	BHANU SATISHCHANDRA DOSHI JT1 : SATISHCHANDRA SHANTILAL DOSHI				
	At the beginning of the year 01-Apr-2014	50000	0.4947	50000	0.4947
	Purchase 30-Jun-2014	40000	0.3958	90000	0.8905
	At the end of the Year 31-Mar-2015	90000	0.8905	90000	0.8905

(v) Shareholding of Directors and Key Managerial Personnel;

SL. NO.	For each of the Directors KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	Mr. R.Chellappan, Managing Director				
	a) At the Beginning of the Year	4747054	46.97		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			4747054	46.97
2	Mr.V.M.Sivasubramaniam, Independent Director				
	a) At the Beginning of the Year	200	0		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			200	0
3	N. Natarajan, Independent Director				
	a) At the Beginning of the Year	25	0		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			25	0
4	Mr. V.C. Raghunath, Whole time Director				
	a) At the Beginning of the Year	38800	0.38		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			38800	0.38
5	Mrs.Jayshree Nachiappan, Director				
	a) At the Beginning of the Year	100	0		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			100	0

SL. NO.	For each of the Directors KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
6	Mrs.VasanthaBalan,Director				
	a) At the Beginning of the Year	7056	0.07		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			7056	0.07
7	Mr. P. Jagan, Chief Financial Officer				
	a) At the Beginning of the Year	Nil	Nil		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			Nil	Nil
8	Mrs. Bhuvaneswari,Company Secretary				
	a) At the Beginning of the Year	Nil	Nil		
	b) Changes during the Year	NO CHANGE DURING THE YEAR			
	c) At the end of the year			Nil	Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Rs.

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
	Indebtedness at the beginning of the financial year				
i)	Principal Amount	92,35,45,501	-	-	92,35,45,501
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued and due	11,55,090	-	-	11,55,090
iv)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	92,47,00,591			92,47,00,591
	Change in Indebtedness				
	During the financial year				
	• Addition	33,36,71,810	-	-	33,36,71,810
	• Reduction	14,15,20,202	-	-	14,15,20,202
	Net Change	47,51,92,012	-	-	47,51,92,012
	Indebtedness at the end of the financial year				
i)	Principal Amount	111,56,97,109	-	-	111,56,97,109
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued and due	38,55,907	-	-	38,55,907
iv)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	111,95,53,016	-	-	111,95,53,016

VI. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager :

Rs.

Sl. No	Particulars of Remuneration	Name of MD/MTD / Manager		Total amount
		R. Chellappan	V. C. Raghunath	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,15,000	7,11,816	31,26,816
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,01,250	0	5,01,250
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA
2	Stock Option	NA	NA	NA
3	Sweat Equity	NA	NA	NA
4	Commission	6,22,596	NA	6,22,596
	- as % of profit			
	- others, specify...			
5	Others, please specify	NA	NA	
	TOTAL (A)	35,38,846	7,11,816	42,50,662
	Ceiling as per the Act	5% of the Net profit		

B. Remuneration to Other Directors:

Rs.

Particulars of Remuneration	Name of Directors		
	V.M. Sivasubramaniam	N. Natarajan	Total amount
Fee for attending board / committee meetings	1,30,000	1,20,000	2,50,000
Commission	10,95,500	10,95,500	21,91,000
Others, please specify			
Total (1)	12,25,500	12,15,500	24,41,000
Other Non-Executive Directors	Total amount		
	Jayashree Nachiappan	Vasanth Balan	Total amount
Fee for attending board /committee meetings	1,00,000	80,000	1,80,000
Commission	NA	NA	NA
Others, please specify	NA	NA	NA
Total (2)	1,00,000	80,000	1,80,000
Total Managerial Remuneration (1+2)	13,25,500	12,95,500	26,21,000
Over all Ceiling as per the Act	11% of the Net profit		

C. Remuneration to Key Managerial Personnel :

Rs.

Sl.No	Particulars of Remuneration	Name of Key Managerial Personnel		Total amount
		J. Bhuvaneswari Company Secretary	P. Jagan Chief Financial Officer	
1	Gross salary			-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,99,513	21,40,718	27,40,231
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	32,502	76,000	1,08,502
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	– as % of profit	0	0	0
	– others, specify...			
5	Others, please specify	0	0	0
	TOTAL (A)	6,32,015	22,16,718	28,48,733
	Ceiling as per the Act	NA	NA	NA

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

ANNEXURE 4

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF
THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(Rs in lakhs)

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<table> <tr><td>1. Mr. R. Chellappan</td><td>: 30.05</td></tr> <tr><td>2. Mr. V.M. Sivasubramaniam</td><td>: 9.39</td></tr> <tr><td>3. Mr. N. Natarajan</td><td>: 9.39</td></tr> <tr><td>4. Mr. V.C. Raghunath</td><td>: 6.10</td></tr> <tr><td>5. Mrs. Vasantha Balan</td><td>: 0.68</td></tr> <tr><td>6. Mrs. Jayashree Nachiappan</td><td>: 0.85</td></tr> </table>	1. Mr. R. Chellappan	: 30.05	2. Mr. V.M. Sivasubramaniam	: 9.39	3. Mr. N. Natarajan	: 9.39	4. Mr. V.C. Raghunath	: 6.10	5. Mrs. Vasantha Balan	: 0.68	6. Mrs. Jayashree Nachiappan	: 0.85				
1. Mr. R. Chellappan	: 30.05																
2. Mr. V.M. Sivasubramaniam	: 9.39																
3. Mr. N. Natarajan	: 9.39																
4. Mr. V.C. Raghunath	: 6.10																
5. Mrs. Vasantha Balan	: 0.68																
6. Mrs. Jayashree Nachiappan	: 0.85																
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table> <tr><td>1. Mr. R. Chellappan</td><td>: No increase</td></tr> <tr><td>2. Mr. V.M. Sivasubramaniam</td><td>: No increase</td></tr> <tr><td>3. Mr. N. Natarajan</td><td>: No increase</td></tr> <tr><td>4. Mrs. Vasantha Balan</td><td>: No increase</td></tr> <tr><td>5. Mrs. Jayashree Nachiappan</td><td>: No increase</td></tr> <tr><td>6. Mr. V. C. Raghunath</td><td>: 10%,</td></tr> <tr><td>7. Mr. P. Jagan</td><td>: 10%</td></tr> <tr><td>8. Mrs. J. Bhuvaneswari</td><td>: 10%</td></tr> </table>	1. Mr. R. Chellappan	: No increase	2. Mr. V.M. Sivasubramaniam	: No increase	3. Mr. N. Natarajan	: No increase	4. Mrs. Vasantha Balan	: No increase	5. Mrs. Jayashree Nachiappan	: No increase	6. Mr. V. C. Raghunath	: 10%,	7. Mr. P. Jagan	: 10%	8. Mrs. J. Bhuvaneswari	: 10%
1. Mr. R. Chellappan	: No increase																
2. Mr. V.M. Sivasubramaniam	: No increase																
3. Mr. N. Natarajan	: No increase																
4. Mrs. Vasantha Balan	: No increase																
5. Mrs. Jayashree Nachiappan	: No increase																
6. Mr. V. C. Raghunath	: 10%,																
7. Mr. P. Jagan	: 10%																
8. Mrs. J. Bhuvaneswari	: 10%																
(iii) the percentage increase in the median remuneration of employees in the financial year;	10.98%																
(iv) the number of permanent employees on the rolls of company;	187																
(v) the explanation on the relationship between average increase in remuneration and company performance;	The average increase in the remuneration is 10.98% The Company maintained the increase of remuneration to employees considering the future projects and performance of the Company.																
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Remuneration of Key Managerial Personnel: 70.99 Lakhs. Net profit of the Company for the year: 132.93 Lakhs																
(vii) <ul style="list-style-type: none"> a) variations in the market capitalisation of the company, b) price earnings ratio as at the closing date of the current financial year and previous financial year and c) percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year; 	<ul style="list-style-type: none"> a) The market Capitalisation as on 31.03.2015 was Rs 540.38 Crores. (Rs 226.95 Crores as on 31.03.2014). b) Price Earnings ratio of the Company as on 31.03.2015 was 405.09 and as on 31.03.2014 was 9.10. c) The Company had come out with the Initial public offer (IPO) in July 1996 @ Rs 75/- (Paid up Rs 10/- and premium Rs 65/-)per share. As on 31.03.2015 the market price per share is Rs 534/-. 																

(viii)	average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	No major increase in the Managerial remuneration. Also there is no such exceptional circumstances for increase in the Managerial remuneration.	
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Salary in Lakhs (pa) 1. Mr. R. Chellappan	

Details of the employees of the Company – Pursuant to Section 197 (Rule 5) of the Companies Act 2013

The Company does not have employee who is drawing more than Rs 60 lakhs per annum during the year .

ANNEXURE 5

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

The Company seeks to be a good corporate citizen wherever it does business and respects local concerns, customs and traditions. The Company gives more importance to education sector as it believes that Education is the most powerful weapon which can be used to change the world.

The Company formed the Corporate social responsibility committee on 06.02.2014 which comprises of the following Directors.

- 1) Mr. R. Chellappan - Managing Director
- 2) Mr. N. Natarajan - Independent Director
- 3) Mr. V.C. Raghunath - Whole Time Director

Note: No sitting fees are paid for the CSR committee meetings.

The Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Policy of the CSR is available on Company's website www.swelectes.com.

The Company required to spend 2% of the average net profit of the Company as per section 135 of the Companies Act 2013. The amount arrived for the CSR activities was Rs 69,23,644/- for the financial year 2014-2015 .

Particulars	Financial year		
	2011-12	2012-13	2013-14
Net Profit	34,63,10,988	510,79,64,513	24,94,51,119
Less :			
Sale of Undertaking		615,11,76,802	
Add :			
Income Tax	8,92,73,796	139,67,23,016	-
Total	43,55,84,784	35,35,10,727	24,94,51,119
Average Profit for 3 yrs			34,61,82,210
2% on above			69,23,644

Various proposals were evaluated and the Company decided to participate in the renovation of Government Boys Higher Secondary School, Sangagiri and spent Rs 34,69,334/-.

As the Alumni Association members of the school came forward to contribute the balance amount for the project, the Company could not spend the entire amount of Rs 69,23,644/-. The Company is in the process of evaluating various projects in the coming years.

The Company will continue to support the local initiatives to improve infrastructure as well as support in other corporate social responsibility initiatives.

The Committee met on 25th March 2015 to discuss and reviewed the amount spent on CSR during the year.

ANNEXURE 6

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014):

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis: NIL
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - (e) Date(s) of approval by the Board, if any:
 - (f) Amount paid as advances, if any:

For **SWELECT ENERGY SYSTEMS LIMITED**

R.CHELLAPPAN
Managing Director

V.C.RAGHUNATH
Director

Report on Corporate Governance

(As required by Clause 49 of the Listing Agreement with the Stock Exchanges)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company upholds the core values of transparency, integrity and accountability in all facets of its operations and maintains the highest standards of Corporate Governance in its conduct towards the shareholders, customers, suppliers and the Government. The Company believes that good Corporate Governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the goal of maximizing value for all its stakeholders. It encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons.

2. BOARD OF DIRECTORS

(i) Composition and Category of Directors

The Board of Directors consists of both executive and non-executive directors.

Executive Director : 2

Non-Executive Director : 4

Name of Director	Designation	Category		No. of Directorship in other companies		Committee Membership in other companies	Committee Chairmanship in other companies
				Private Limited Company	Public Limited Company		
Mr. V.M. Sivasubramaniam	Chairman	Non-Promoter	Non-Executive Independent	1	-	-	-
Mr. R. Chellappan	Managing Director	Promoter	Executive	11	2	1	-
Mr. N. Natarajan	Director	Non Promoter	Non-Executive Independent	-	1	-	1
Mrs. Vasantha Balan	Director	Promoter Group	Non – Executive	4	-	-	-
Mrs. Jayashree Nachiappan	Director	Promoter Group	Non – Executive	3	-	-	-
Mr. V.C. Raghunath	Whole-time Director	Promoter Group	Executive	6	-	-	-

Relationship between directors inter-se: None of the Directors are related to each other inter se except Mr. R. Chellappan and Mr.V.C. Raghunath who are related to each other as father and Son.

Key Management Personnel:

Name	Designation	Category	No. of Directorship in other companies		Committee Membership in other companies	Committee Chairmanship in other companies
			Private Limited Company	Public Limited Company		
Ms. J. Bhuvaneswari	Company Secretary	Executive	-	-	-	-
Mr. P.Jagan	Chief Financial officer	Executive	-	-	-	-

The composition of the Board is in conformity with the Listing Agreement. The Board critically evaluates the Company's strategic directions, management policies and their effectiveness. The Audit committee and the Board reviews related party transactions, financial reports etc.

ii) Appointment and Reappointment of Directors

Appointment of Mr R. Chellappan, Managing Director

At the Board Meeting held on 12.2.2015, Mr. R. Chellappan was appointed as the Managing Director of the Company for a period of 5 years from 1.5.2015 to 30.4.2020 subject to the approval of shareholders at the ensuing Annual General Meeting.

Reappointment of Directors retiring by rotation.

Pursuant to sec 152 of the Companies Act 2013, Mr. V. C. Raghunath, Mrs. Vasantha Balan and Mrs. Jayashree Nachiappan retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Information pursuant to Clause 49 VIII (E) of the Listing Agreement:-

1. Brief resume of Mr. R. Chellappan and nature of his expertise in specific functional areas:

AGE & DOB	62 years, 08 th MAY 1953
EDUCATIONAL QUALIFICATION	DEE and qualified Engineer in Electrical and Electronics from Thiagarajar Polytechnic College, Salem – April 1972 BE (EEE) from Coimbatore Institute of Technology with University rank – Nov 1979 An active Senior Member of Institute of Electrical & Electronics Engineers Inc. – USA (IEEE) for the last 20 years
EXPERIENCE	8 Years with Sri Ramakrishna Steel Industries Ltd, Coimbatore 5 Years with Ashok Leyland Ltd, Chennai
CREDENTIALS	One of the Founder Members / Trustee of National Solar Energy Federation of India (NSEFI), South Chapter Appointed as chairman of IEEE – Madras Chapter, PELS society Bonafide member of MAIT – Manufacturers' Associate for Information Technology Received special achievement award from the Hon'ble Governor of Tamil Nadu for being one of Elite group of ten outstanding entrepreneurs in the field of IT and ITES "TRAIL BLAZERS – PATH FINDERS 2011" - a recognition and appreciation for the efforts of entrepreneurs who are part of the competitive IT and ITES Industry and whose contribution to the growth of the economy has been significant In November 2013, awarded the winner of the TIECon Award 2013 as "The Entrepreneur of the Year 2013".
ACHIEVEMENTS UNDER HIS LEADERSHIP	Started the business (in 1984) with a team of just six members, and then built the company to 2600 employees (in 2012) across its branches in India and overseas. In May 2012, Numeric transferred the UPS division to Novateur Electrical & Digital Systems Pvt Ltd, a wholly owned subsidiary of LEGRAND S.A. FRANCE under a BTA (Business Transfer Agreement). In Aug 2012, SWELECT was empanelled by BEE (Bureau of Energy Efficiency) as ESCO (Energy Service Company). In Dec 2012, SWELECT was recognized as the No.1* Solar Solution Provider (Integrator) company of the Year 2012. In Dec 2012, SWELECT was adjudged as the winner of Soft Disk (SD) Awards 2012 for Leadership in Roof Top Solar Installations. In Jan 2013, SWELECT got a CRISIL rating of SP1A (highest for Technical and Financial Superiority) and was accredited by MNRE as the authorized Channel Partner for Off-grid and Decentralized Solar PV systems under JNNISM scheme. Amex Alloys was awarded as Export Excellence Award for FY(12-13). SD's No.1 off Grid / Roof Top Solar PV power solution provider of the year 2013. A++ SD's star green rating. Winner of the largest numbers of roof top installation in the country in 2012-13.

Mr. R. Chellappan holds directorship in the following companies:

Sr. No.	Name of the Companies / Firms	Position held
1	HHV Solar Technologies Limited	Managing Director
2	Amex Alloys Private Limited	Director
3	Amex Irons Private Limited	Director
4	SWELECT Technologies Private Limited	Director
5	SWELECT Solar Energy Private Limited	Director
6	Gem Sugars Limited	Director
7	SWELECT Green Energy Solutions Private Limited	Director
8	SWELECT Energy Systems Pte. Limited, Singapore	Director
9	SWELECT Electronics Private Limited	Director
10	BS Powertech Solutions Private Limited	Director
11	SWELECT Power Systems Private Limited	Director
12	Novateur Electrical & Digital Solutions Private Limited	Director
13	NOEL Media & Advertising Private Limited	Director

Chairperson of Board of other Companies : 1

Member of Board Committees of Other Companies : 1

Shareholding in the Company:

- i) Own: 47,47,054 Shares
- ii) Held by / for other persons on a beneficial basis: Nil

Disclosure of relationships between directors inter-se: Mr. V.C. Raghunath, Whole-time Director is the son of Mr. R. Chellappan.

2. Brief resume of Mr. V. C. Raghunath and nature of his expertise in specific functional areas:

AGE & DOB	33 years, 11 th JULY 1981
EDUCATIONAL QUALIFICATION	<ul style="list-style-type: none"> • BE (EEE) • Master of Science (Electrical Engineering)
EXPERIENCE	• 8 Years in the Power Electronics and Solar Industry, Started his career in 2006
CERTIFICATION	• Certified SAP Solution Consultant for Supply Chain Management / Order Fulfilment
PORTFOLIO	<p>Handling of all India Level Solar Power Project Management and Solutions</p> <p>Contributes to the development of marketing strategy of the Company and communication.</p> <p>Training and Guiding the Sales team in achieving their target.</p> <p>Key function is to negotiate complex, high-value contracts for the supply of Solar Power products and solutions.</p> <p>Meet key customers and give presentations of new products and proposals, besides maintaining relations with the existing ones.</p> <p>Project Execution and Management</p> <p>Ensuring that customers' requirements related to the products and solutions are made available within shortest possible time.</p> <p>Work closely with other members of the sales team and other departments within the company to ensure customer and company expectations are met.</p> <p>Cost working for all Tenders and Quotes</p> <p>Service Escalation Management and support to all the Service team</p>

PROJECTS HANDLED	<p>Co-ordination with internal team members and the customers for the on time procurement, supply and installation for all the MW projects, and several smaller, but complex projects, till the end of plant energising.</p> <p>Few Major MW Range projects to mention:</p> <p>1.65MW SPV Solar Park at Hosur for Exide Industries Ltd as a Turnkey EPC Project</p> <p>1MW SPV Power Plant at TADA for Nippo Batteries with Engineering and Installations</p> <p>1MW SPV Power Plant at Sivagangai for Noel Media</p> <p>1MW SPV Park at Karur for Yajur Energy, USA</p> <p>2MW SPV Park at Karur for Amex Alloys Pvt Ltd</p> <p>Ensured for the highest number of installations for the year and was adjudged as the winner of the SD Award 2014 for having completed the largest numbers of Roof Top Installations in the Country.</p>
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Mr. V.C. Raghunath also holds directorship in the following companies:

Sr. No.	Name of the Companies/ Firms	Position held
1	Amex Alloys Private Limited	Director
2	Amex Irons Private Limited	Director
3	BS Powertech Solutions Private Limited	Director
4	SWELECT Energy Systems Pte. Limited	Director
5	SWELECT Technologies Private Limited	Director
6	NOEL Media & Advertising Private Limited	Director

Chairperson of Board Committees of other Companies : None

Member of Board Committee of Other Companies : None

Shareholding in the Company:

- i) Own : 38,800 Shares
- ii) Held by / for other persons on a beneficial basis : Nil

Disclosure of relationships between directors inter-se : Mr. V. C. Raghunath is the Son of Mr. R. Chellappan, Managing Director.

3. Brief resume of Mrs. Vasantha Balan and nature of her expertise in specific functional areas:

Mrs. Vasantha Balan is 55 years of age and is a non-executive Director of the Company. She is a science graduate from Madras University and holds directorship in the following companies:

Sr. No.	Name of the Companies / Firms	Position held
1	SWELECT Solar Energy Private Limited	Director
2	SWELECT Green Energy Solutions Private Limited	Director
3	SWELECT Electronics Private Limited	Director
4	SWELECT Power Systems Private Limited	Director

Chairperson of Board Committees of other Companies: None

Member of Board Committee of Other Companies: None

Shareholding in the Company:

- i) Own: 7,056 Shares
- ii) Held by / for other persons on a beneficial basis: Nil

Disclosure of relationships between directors inter-se : None

4. Brief resume of Mrs. Jayashree Nachiappan and nature of her expertise in specific functional areas:

Mrs. Jayashree Nachiappan is 48 years of age and is a non-executive Director of the Company. She holds an Engineering degree in Printing Technology from College of Engineering, Guindy affiliated to Anna university, Chennai and runs her own Offset printing press for the past 21 years.

Mrs. Jayashree Nachiappan holds directorship in the following companies.

Sr. No.	Name of the Companies / Firms	Position held
1	Swelect Solar Energy Private Limited	Director
2	Swelect Green Energy Solutions Private Limited	Director
3	BS Powertech Solutions Private Limited	Director

Chairperson of Board Committees of other Companies: None

Member of Board Committee of Other Companies: None

Shareholding in the Company:

i) Own: 100 Shares

ii) Held by/for other persons on a beneficial basis: Nil

Disclosure of relationships between directors inter-se: None

iii) Pursuant to Clause 49 VIII (E) (1) (d) of the Listing Agreement, shareholding of non-executives directors as on 31.3.2015, is given below

Name of the Director	Category	Number of shares held own	Held by / for other persons on a beneficial basis
Mr. V.M. Sivasubramaniam	Chairman – Non Executive - Independent	200	Nil
Mr. N. Natarajan	Director - Non Executive - Independent	25	Nil
Mrs. Vasantha Balan	Director - Non Executive	7056	Nil
Mrs. Jayashree Nachiappan	Director - Non- Executive	100	Nil

The Company has not issued any convertible instruments.

iv) Details of Board Meetings:

No of Board meetings held during the Financial Year 2014-2015: 7

Date of Meeting						
29.05.2014	11.06.2014	28.07.2014	07.08.2014	07.11.2014	10.01.2015	12.02.2015

v) Attendance of Directors at the Board Meetings during the year 2014-2015 and last AGM

Name	No. of Meetings Attended	Sitting fees paid Rs.	Attended Last AGM
Mr. R. Chellappan	7	Nil	Yes
Mr. V.M. Sivasubramaniam	6	90,000	Leave
Mr. N. Natarajan	6	1,00,000	Yes
Mrs. Vasantha Balan	5	80,000	Yes
Mrs. Jayashree Nachiappan	4	70,000	Yes
Mr. V. C. Raghunath	7	Nil	Yes
Total:		3,40,000	

Note: With effect from 07.11.2014, sitting fees to Independent and Non-Executive Directors for attending each Board Meeting has been revised as Rs.10,000/- instead of Rs.20,000/-. The Sitting fees payable to Independent and Non-Executive Directors for the meetings of Audit Committee, Stakeholders Relationship Committee are Rs. 5000/- per meeting.

3. DETAILS OF COMMITTEES

(a) Audit Committee

i) Composition of Audit Committee :

The Audit Committee comprises of the Directors as mentioned below:

- 1) Mr. V. M. Sivasubramaniam, Non-Executive - Independent
- 2) Mr. N. Natarajan, Non-Executive - Independent
- 3) Mrs. Jayashree Nachiappan, Non - Executive

Mr. V. M. Sivasubramaniam is the Chairman of the Committee, having financial and accounting knowledge.

- ii) The Audit Committee looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Agreement and provisions of Section 177 of the Companies Act, 2013.

Terms of Reference in brief:

Financials

Review of the quarterly/half-yearly/annual financial statements with reference to changes, if any in accounting policies and reasons for the same.

Major accounting entries involving estimates based on exercise of judgment by management, adjustments, if any arising out of audit findings.

Compliance with listing and legal requirements relating to financial statements, qualifications, if any in the draft audit report.

Internal controls and risk management

- Review of internal audit function and discussion on internal audit reports.
- Review of vigil mechanism and above all adequacy of internal control systems.
- Review of risk management policies especially enterprise level risk management.

Compliance and other related aspects

- Disclosure of related party transactions and subsequent modifications, if any.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company.
- Uses/application of funds raised through an issue.
- Review and recommendation of appointment, remuneration and terms of appointment of statutory auditors.
- Review of other services rendered by the statutory auditors.
- Review of the management discussion and analysis of the financial conditions and results of operations, significant related party transactions, management letters issued by statutory auditors, internal audit reports.

iii) Details of the Audit Committee Meetings

Date of Meeting	No. of Members attended
27.05.2014	2
06.08.2014	3
05.11.2014	2
10.02.2015	3

Name	No. of Meetings Attended	Sitting fees paid Rs.
Mr. V.M. Sivasubramaniam	4	20,000
Mr. N. Natarajan	4	20,000
Mrs. Jayashree Nachiappan	2	10,000
Total:		50,000

Note : Sitting fees for attending each meeting is Rs.5,000/- only.

The Audit Committee adheres to the SEBI Guidelines in terms of quorum for its meetings, functioning, role and powers as also set out in the Companies Act, 2013.

(B) Stakeholders relationship Committee

- (i) Pursuant to Companies Act, 2013, on 6.2.2014, the Board of Directors had re-reconstituted Shareholders' / Investors' Grievance Committee with the new name 'Stakeholders relationship committee' to redress the shareholders' / investors' complaints.

Terms of reference of the Committee includes the following

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share certificates.
- Monitor, redressal of Investor/ Shareholder grievances.
- Monitor implementation of the Company's Code of Conduct for prohibition of Insider Trading
- The composition of the Committee is as follows:-
 1. Mr. V. M. Sivasubramaniam, Chairman
 2. Mrs. Jayashree Nachiappan, Director
 3. Mrs. J. Bhuvanewari, Company Secretary

Details of Meetings held:

Date of Meeting	No. of Members attended
24.05.2014	3
05.08.2014	3
04.11.2014	3
10.02.2015	3

Name	No. of Meetings Attended	Sitting fees paid Rs.
Mr. V.M. Sivasubramaniam	4	20,000
Mrs. Jayashree Nachiappan	4	20,000
Total:		40,000

Note: Sitting fees for attending each meeting is Rs.5,000/- only.

- (ii) Name of non-executive director heading the committee : Mr. V.M. Sivasubramaniam, Chairman
- (iii) Name and designation of compliance officer : Mrs. J. Bhuvanewari, Company Secretary
- (iv) Details of Investor Complaints received and resolved during the year 2014-2015 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	4	4	0

- (v) The Company has designated an e-mail ID:cg.ird@swelectes.com for the purpose of registering complaints by investors.

(C) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprising of the following Directors

1. Mr. N. Natarajan - Chairman
2. Mr. R. Chellappan - Managing Director
3. Mr. V.C. Raghunath - Whole Time Director

The Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Policy of the CSR is available on Company's website www.swelectes.com

The Committee met on 25th March 2015 to discuss and reviewed the amount spent on CSR during the year.

(D). Nomination and Remuneration Committee

The Nomination and remuneration committee which comprises of the following Directors were met on 12.02.2015.

1. Mr. N. Natarajan – Chairman
2. Mr. V.M. Sivasubramaniam – Director
3. Mrs. Vasantha Balan – Director

The terms of reference / role of the Committee includes:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key managerial personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity,
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Details of remuneration paid / payable to Directors for the year ended 31st March 2015:

(in Rupees)

Name of Directors	Sitting fees	Commission on profits	Salary	Contribution to PF	Perquisites	Total
Mr. R. Chellappan	-	6,22,596	24,15,000	-	5,01,250	35,38,846
Mr. V.M. Sivasubramaniam	1,30,000	10,95,500 #	-	-	-	12,25,500
Mr. N. Natarajan	1,20,000	10,95,500 #	-	-	-	12,15,500
Mrs. Vasantha Balan	80,000	-	-	-	-	80,000
Mrs. Jayashree Nachiappan	1,00,000	-	-	-	-	1,00,000
Mr.V.C.Raghunath	-	-	6,65,988	45,828	-	7,11,816
Total	4,30,000	28,13,596	30,80,988	45,828	5,01,250	68,71,662

The Executive Directors are paid remuneration as recommended by the Board of Directors and approved by the Shareholders at the General Meetings.

As approved by the shareholders at the Annual General Meeting held on 24.7.2013, commission was paid to Non-Executive Independent Directors Mr. V.M. Sivasubramaniam and Mr. N. Natarajan.

Pecuniary relationship or transactions of the non-executive Directors vis-à-vis the Company:

Ms. Aarthi Balan, Daughter of Mrs. Vasantha Balan, Director, is employed in the Company as an Assistant Vice President, Marketing and Communication. Ms. Preetha Balan, Daughter of Mrs. Vasantha Balan, Director, is also engaged as a Project consultant / Advisor of the Company.

Except Mrs. Vasantha Balan, none of the non-executive Directors have pecuniary relationship with the Company.

The Company has not granted stock options to any director or employee of the company or any other person. The Company's Remuneration Policy is available on the Company's website www.swelectes.com

(E) Risk Management Committee

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49 of the listing agreement, the Company has constituted a risk management committee.

The Risk management Committee comprises of

1. Mr. R. Chellappan – Chairman
2. Mr. V.C Raghunath – Director
3. Mrs. Jayashree Nachiappan – Director

It is an ongoing process within the organization. The management identifies and monitors the risk and takes proper action to minimize the risk. The Committee will meet as and when situation arises.

This Risk Management Committee will go into the various matters involving transactions of the company in assessing the various issues and recommend in devolving procedure and frame work in terms of Clause 49 of the listing agreement:

- (a) Forex Dealings
- (b) Position of collection of Outstanding's from Customers and Extending Credit Facilities to Customers
- (c) Inventory Control
- (d) Placing of Orders with Suppliers in respect of Critical components and High value items
- (e) Borrowings from Bankers by analysing the need and interest charged by the Bankers and recommending the same to the Borrowing Committee of the Board for its consideration.
- (f) External Borrowings
- (g) Capital outlay / Expansion of the company's activities
- (h) Statutory Obligations – Compliance, Legal Issues if any.
- (i) Budgetary allocation and analysis of variation with regard to Budget and actuals.
- (j) Diversification of activities and manufacture of new line of Products
- (k) Review of Internal Control

This Committee may also invite Consultants in the respective area of specialization for discussions if need be.

At present the Company has not identified any element of risk which may threaten the existence of the company

The Details of Other Committees of the Company

Name of the Committee:

INVESTMENT COMMITTEE

Member:

- | | |
|------------------------|----------------------|
| 1. Mr. R. Chellappan | Managing Director |
| 2. Mr. N. Natarajan | Independent Director |
| 3. Mr. V. C. Raghunath | Whole-time Director |

Name of the Committee:

BORROWING COMMITTEE

Members:

- | | |
|------------------------|------------------------|
| 1. Mr. R. Chellappan | Managing Director |
| 2. Mr. V. C. Raghunath | Whole-time Director |
| 3. Mrs. Vasantha Balan | Non Executive Director |

Name of the Committee:

FOREX MANAGEMENT COMMITTEE

Members:

- | | |
|------------------------|-------------------------|
| 1. Mr. R. Chellappan | Managing Director |
| 2. Mr. V. C. Raghunath | Whole-time Director |
| 3. Mr. P. Jagan | Chief Financial officer |

4. CODE OF CONDUCT

The Company's Code of Conduct has been complied with by all the members of the Board and senior management of the Company. The declaration signed by the CEO and CFO, affirming compliance with Code of Conduct by all the Board members and Senior Management Personnel, is included in this Annual Report.

5. DETAILS OF GENERAL MEETINGS

i. Location and time, where last three AGMs held:

Year	Venue	Day & Date	Time
17 th AGM- 01.04.2011 to 31.03.2012	Savera Hotel No. 146, Dr. Radhakrishnan Road, Chennai - 600 004	Saturday, 21 st July 2012	4.00 P.M
18 th AGM- 01.04.2012 to 31.03.2013	Savera Hotel No. 146, Dr. Radhakrishnan Road, Chennai - 600 004	Wednesday, 24 th July 2013	2.30 P.M
19 th AGM- 01.04.2013 to 31.03.2014	Savera Hotel No. 146, Dr. Radhakrishnan Road, Chennai - 600 004	Wednesday, 28 th July 2014	11.00 A.M

- ii. Whether any special resolutions were passed in the previous 3 Annual General Meetings: Yes
- iii. Whether any special resolution was passed last year through postal ballot – details of voting pattern: No
- iv. Person who conducted the postal ballot exercise: Not applicable
- v. Whether any special resolution is proposed to be conducted through postal ballot: No
- vi. Procedure for postal ballot: Not applicable
- vii. Dividend history

S.No.	Financial year	Nature of Dividend	Date of Declaration	Class of shares	Dividend Amount Per share Rs.	Percentage of Dividend declared
1	01.10.1996 - 30.09.1997	Final	20.03.1998	Equity	1	10
2	01.10.1997 - 30.09.1998	Final	27.03.1999	Equity	1	10
3	01.10.1998 - 30.09.1999	Final	03.03.2000	Equity	1	10
4	01.10.1999 - 30.09.2000	Final	10.02.2001	Equity	2	20
5	01.10.2000 - 30.09.2001	Final	16.02.2002	Equity	1.5	15
6	01.10.2001 - 30.09.2002	Final	21.12.2002	Equity	2	20
7	01.10.2002 - 30.09.2003	Final	29.11.2003	Equity	3	30
8	01.10.2003 - 31.03.2005 (18 months)	Interim	27.10.2004	Equity	2	20
		Final	28.05.2005	Equity	3	30
9	01.04.2005 - 31.03.2006	Final	08.07.2006	Equity	4	40
10	01.04.2006 - 31.03.2007	Final	04.08.2007	Equity	4.5	45
11	01.04.2007 - 31.03.2008	Final	14.08.2008	Equity	5	50
12	01-04.2008 - 31.03.2009	Final	22.08.2009	Equity	5	50
13	01-04.2009 - 31.03.2010	Final	07.08.2010	Equity	3	30
14	01-04.2010 - 31.03.2011	Final	06.08.2011	Equity	3	30
15	01-04.2011 - 31.03.2012	Final	21.07.2012	Equity	3	30
16	01-04.2012 - 31-03-2013	Interim	09.07.2012	Equity	120	1200
17	01-04.2012 - 31-03-2013	Final	24.07.2013	Equity	8	80
18	01-04.2013 - 31-03-2014	Final	28.07.2014	Equity	9	90

Pursuant to Section 205C of the Companies Act, 1956, (Section 125 of the Companies Act, 2013) the following unclaimed dividend has been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

S.No.	Financial year	Date of Declaration	Amount Rs.	Date of remittance to IEPF
1	1.10.1996 - 30.9.1997	20.03.1998	5,850	29.04.2005
2	1.10.1997 - 30.9.1998	27.03.1999	6,050	27.04.2006
3	1.10.1998 - 30.9.1999	03.03.2000	7,050	09.04.2007
4	1.10.1999 - 30.9.2000	10.02.2001	13,300	12.03.2008
5	1.10.2000 - 30.9.2001	16.02.2002	10,575	17.03.2009
6	1.10.2001 - 30.9.2002	21.12.2002	15,400	22.01.2010
7	1.10.2002 - 30.9.2003	29.11.2003	21,450	03.01.2011
8	1.10.2003 - 31.3.2005 (18 Months) – Interim	27.10.2004	13,300	29.11.2011
9	1.10.2003 - 31.3.2005 (18 month) – Final	28.05.2005	17,853	05.07.2012
10	1.4.2005 - 31.3.2006	08.07.2006	24,884	31.07.2013
11	1.4.2006 - 31.3.2007	04.08.2007	1,30,338	08.09.2014

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unclaimed dividend amounts lying with the Company as on 28.07.2014 (date of last Annual General Meeting) on the website of the Company www.swelectes.com and also on the website of the Ministry of Corporate Affairs.

Reminders for unclaimed dividend amount on equity shares are sent to shareholders as per records every year.

6. DISCLOSURES

- Related party transactions during the year have been disclosed as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have any conflict with the Company's interest. The Company's major related party transactions are generally with its wholly owned subsidiaries. All related party transactions are negotiated on arm's length basis and are in the ordinary course of business which are intended to further the Company's interest.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : NIL

(iii) Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman of the Audit committee.

The Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Vigil Mechanism /Whistle Blower Policy has been disclosed on the Company's website under the web link http://www.swelectes.com/pdf/vigil_mechanism_swelect.pdf and circulated to all the Directors / employees.

In preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

Business risk evaluation and managing such risks is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the Company to mitigate the risks.

The Company complied with all mandatory requirements of Corporate Governance as per Clause 49 of the Listing Agreement. The Company adopted the following non-mandatory requirements of this clause:

Audit qualifications

Company made effort to move towards a regime of unqualified financial statements.

Separate posts of Chairman and CEO

The company has a separate persons to the post of Chairman and Managing Director/CEO.

Reporting of Internal Auditor

The Internal auditor is directly reporting to the Audit Committee.

7. MEANS OF COMMUNICATION

The Quarterly Unaudited financial results and the Audited Financial result is normally published in the newspapers viz. one national daily and vernacular newspaper Business Line and Dinamani (Tamil). The Company's website www.swelectes.com contains a separate dedicated section 'Investors' wherein all data related to quarterly financial results, shareholding pattern, Board of directors, Code of conduct for all Board members and senior management of the company, Compliance Report on Corporate Governance, Annual Report and other mandatory information required under listing agreement are available.

Details regarding Products & Solutions, Customer support offered, Business associates & Partners, Official news Releases, presentation made to media, etc., are also placed on the Company's website www.swelectes.com

Annual Report containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, is circulated to Members and others entitled thereto.

The Report on Corporate Governance forms part of the Annual Report while the Management Discussion and Analysis Report forms part of the Directors' Report.

Email of the Compliance Officer of the Company	:	company.secy@swelectes.com
Telephone Number	:	044-24993266
Fax Number	:	044-24995179
E-mail ID for the purpose of registering complaints by investors	:	cg.ird@swelectes.com

8. GENERAL SHAREHOLDERS' INFORMATION

- | | | |
|------|--|--|
| i. | AGM | TWENTIETH ANNUAL GENERAL MEETING |
| | Day, Date and time | Wednesday the 29th July 2015 at 3.30 P.M |
| | Venue | Savera Hotel, 'Samavesh Hall'
No. 146, Dr. Radhakrishnan Road,
Chennai - 600 004 |
| ii. | Financial year | 01.04.2014 to 31.3.2015 |
| iii. | Date of Book closure | From: Friday 24 th July 2015 To: Wednesday 29 th July 2015 [Both days inclusive] |
| iv. | Dividend Payment Date | Between 3 rd August 2015 and 12 th August 2015. |
| v. | The Company's equity shares are listed on the following Stock Exchanges: | |

BSE Limited

Floor 25, P. J. Towers,
Dalal Street,
MUMBAI - 400 001.

National Stock Exchange of India Limited

Registered Office: "Exchange Plaza",
Bandra – Kurla Complex, BANDRA (E),
MUMBAI – 400 051.

vi. Stock Code

BSE Limited : 532051
National Stock Exchange of India Limited : SWELECTES

vii. (a) Market Price Data: High, Low during each month in the last financial year 01.04.2014 - 31.3.2015

Share Price in Rs. Nominal value of Share Rs.10/- each

	BSE Limited		National Stock Exchange of India Limited	
Month	High	Low	High	Low
Apr-14	303.95	222.10	306.00	220.00
May-14	396.00	271.30	398.00	270.00
Jun-14	447.00	336.05	446.20	332.05
Jul-14	528.95	395.00	527.00	400.50
Aug-14	446.10	339.85	447.25	336.30
Sep-14	541.00	371.00	497.20	365.00
Oct-14	475.00	401.00	474.70	401.40
Nov-14	469.95	407.40	471.00	401.00
Dec-14	447.95	370.00	454.50	370.00
Jan-15	549.40	397.00	549.80	392.00
Feb-15	687.75	507.60	688.00	505.05
Mar-15	661.00	510.25	660.00	502.40

(b) Performance in comparison to BSE Sensex and NSE Nifty:

Date	BSE LIMITED		NATIONAL STOCK EXCHANGE OF INDIA LIMITED	
	Company's Market Price (Close) per share Rs.	Sensex points (Close)	Company's Market Price (Close) per share Rs.	Nifty points (Close)
30-Apr-14	287.35	22,417.80	288.30	6,696.40
30-May-14	342.00	24,217.34	342.25	7,229.95
30-Jun-14	429.60	25,413.78	433.45	7,611.35
31-Jul-14	435.50	25,894.97	437.50	7,721.30
28-Aug-14	371.98	26,638.11	375.70	7,954.35
30-Sep-14	413.65	26,630.51	415.55	7,964.80
31-Oct-14	420.65	27,865.83	421.15	8,322.20
28-Nov-14	416.55	28,693.99	417.65	8,588.25
31-Dec-14	421.20	27,499.42	420.35	8,282.70
30-Jan-15	525.80	29,182.95	526.95	8,808.90
28-Feb-15	622.25	29,361.50	623.50	8,901.85
31-Mar-15	532.75	27,957.49	536.70	8,491.00

viii) Registrar and Transfer Agents: M/s. Cameo Corporate Services Limited,
"Subramanian Building", Fifth Floor,
No.1, Club House Road,
Chennai – 600 002.
Tel: 044-28460390

ix) Share transfer system:

The share transfer work is being handled by Company's Registrars & Transfer Agents, M/s. Cameo Corporate Services Limited. The Company has established connectivity with the depositories, namely, National Securities Depository Limited, Mumbai and Central Depository Services (India) Limited, Mumbai. The Company has a Share Transfer Committee comprising of the following members:

Mr. R. Chellappan, Managing Director

Mrs. J. Bhuvaneswari, Company Secretary

The transfers are approved by the Share transfer Committee and ratified by the Stakeholders relationship Committee (Formerly known as Investor Grievances Committee) and minutes are placed at the Board Meeting. Share transfers are registered and dispatched within a period of 15 days from the date of receipt if the documents are correct and valid in all respects.

x) a) Distribution of Shareholding as on 31.03.2015

Shareholding of nominal value of Rs.	No. of shareholders						Share Amount (Rs.)					
	Physical	%	Demat	%	Total	%	Physical	%	Demat	%	Total	%
10 - 5,000	243	2.44	8,830	88.55	9,073	90.98	4,35,550	0.43	73,68,030	7.29	78,03,580	7.72
5,001 - 10,000	23	0.23	463	4.64	486	4.87	1,75,000	0.17	35,19,520	3.48	36,94,520	3.66
10,001 - 20,000	8	0.08	197	1.98	205	2.06	1,40,000	0.14	30,04,790	2.97	31,44,790	3.11
20,001 - 30,000	0	0.00	62	0.62	62	0.62	0	0.00	15,79,160	1.56	15,79,160	1.56
30,001 - 40,000	1	0.01	25	0.00	26	0.26	40,000	0.04	8,98,780	0.89	9,38,780	0.93
40,001 - 50,000	1	0.01	14	0.14	15	0.15	50,000	0.05	6,52,350	0.65	7,02,350	0.69
50,001 - 1,00,000	1	0.01	43	0.43	44	0.44	78,000	0.08	31,68,600	3.14	32,46,600	3.21
1,00,001 and above	0	0	61	0.61	61	0.61	0	0.00	7,99,48,620	79.11	7,99,48,620	79.11
Total:	277	2.78	9,695	96.97	9,972	100	9,18,550	0.91	10,01,39,850	99.09	10,10,58,400	100

b) Shareholding pattern as on 31.03.2015

Scrip Code- BSE: 532051 ; NSE: SWELECTES ; Name of the scrip: Swelect Energy Systems Limited

Class of security : Equity Shares

Sr. no.	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage (IX) = (VIII) / (IV) * 100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals / Hindu Undivided Family	18	5705142	5705142	56.45	56.45	0	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	1	30	30	0.00	0.00	0	0.00
(d)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Other (Total)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A)(1)	19	5705172	5705172	56.45	56.45	0	0.00
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	16	810770	810770	8.02	8.02	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(e)	Any Other (Total)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A)(2)	16	810770	810770	8.02	8.02	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	35	6515942	6515942	64.48	64.48	0	0.00
(B)	Public shareholding³							
(1)	Institutions							
(a)	Mutual Funds / UTI	1	136780	136780	1.35	1.35	N.A.	N.A.
(b)	Financial Institutions/Banks	3	2745	2745	0.03	0.03	N.A.	N.A.
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	N.A.	N.A.
(d)	Venture Capital Funds	0	0	0	0.00	0.00	N.A.	N.A.
(e)	Insurance Companies	0	0	0	0.00	0.00	N.A.	N.A.
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	N.A.	N.A.
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	N.A.	N.A.
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	N.A.	N.A.
(i)	Any Other (Total)	0	0	0	0.00	0.00	N.A.	N.A.
	Sub-Total (B)(1)	4	139525	139525	1.38	1.38	N.A.	N.A.

(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII) / (IV) * 100
(2)	Non-institutions							
(a)	Bodies Corporate	256	209292	208492	2.07	2.07	N.A.	N.A.
(b)	Individuals - i. Individual Shareholders Holding Nominal Share Capital upto >Rs. 1 Lakh.	9006	1692692	1601638	16.75	16.75	N.A.	N.A.
	Individuals - ii. Individual Shareholders Holding Nominal Share Capital in excess of Rs. 1 Lakh	27	1160437	1160437	11.48	11.48	N.A.	N.A.
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00	N.A.	N.A.
(d)	Any Other (Total)	644	387952	387951	3.84	3.84	N.A.	N.A.
(d1)	Clearing Members	40	8065	8065	0.08	0.08	N.A.	N.A.
(d2)	Directors and their relatives	2	225	225	0.00	0.00	N.A.	N.A.
(d3)	Hindu Undivided Families	278	106086	106085	1.05	1.05	N.A.	N.A.
(d4)	Non Resident Indians	322	155975	155975	1.54	1.54	N.A.	N.A.
(d5)	Trust	2	117601	117601	1.16	1.16	N.A.	N.A.
	Sub-Total (B)(2)	9933	3450373	3358518	34.14	34.14	N.A.	N.A.
	Total Public Shareholding (B)= (B)(1)+(B)(2)	9937	3589898	3498043	35.52	35.52	N.A.	N.A.
	TOTAL (A)+(B)	9972	10105840	10013985	100.00	100.00	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	N.A.	0.00	N.A.	N.A.
C1	Promoter and Promoter Group	0	0	0	N.A.	0.00	N.A.	N.A.
C2	Public	0	0	0	N.A.	0.00	N.A.	N.A.
	GRAND TOTAL (A)+(B)+(C)	9972	10105840	10013985	N.A.	100.00	0	0.00

xi) The position regarding dematerialisation / rematerialisation of shares as on 31.03.2015 as reported by the Registrars and Transfers Agents, M/s. Cameo Corporate Services Limited, Chennai, is as under:-

a. Dematerialisation

	National Securities Depository Limited	Central Depository Services (India) Limited	Total
Demat	as on 31.03.2015	as on 31.3.2015	as on 31.3.2015
requests	460	98	558
shares	51,51,703	1,63,800	53,15,503
certificates	46,893	1,364	48,257

The above dematerialized shares are credited to National Securities Depository Limited, Mumbai and Central Depository Services (India) Limited, Mumbai.

b. Rematerialisation

	National Securities Depository Limited	Central Depository Services (India) Limited	Total
Remat	as on 31.3.2015	as on 31.3.2015	as on 31.3.2015
requests	57	10	67
shares	412	59	471
certificates	57	10	67

Shareholding details as on 31/03/2015	No. of shareholders	No. of Shares	Percentage
Physical form of shares:	277	91,855	0.91
National Securities Depository Limited	6,731	92,25,022	91.28
Central Depository Services (India) Limited	2,964	7,88,963	7.81
Total:	9,972	1,01,05,840	100

As on 31.03.2015, 1,00,13,985 equity shares representing 99.09% in the Equity Share Capital is in dematerialized form.

xii) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity: NIL

xiii) Plant Locations:

No	Location of Plant	Details of the plant
1	Coimbatore Kuppaepalayam SF No 166 & 169, Sembagoundan Pudur, No 51, Kuppepalayam Village, Coimbatore 641107	SWELECT 1.1 MW Solar Plant
2	Naranapuram Village, Ponnapuram, Dharapuram Taluk, Tiruppur District	SWELECT 1.5 MW Wind Mill Power Unit
3	58/3 (14 D, D/1) Salem Main Road, Veerappampalayam PO Idappadi-637105, Salem District.	UNIT 3S
4	Monjanur Village, Aravakurichi Taluk, Karur District	SWELECT 12 MW Solar Plant
5	Kollakkudi, Thottiyam Taluk, Trichy District	SWELECT 10 MW Solar plant

xiv) Address for correspondence:

'Numeric House'
No.5, Sir P.S. Sivasamy Salai,
Mylapore,
Chennai - 600 004
Tamil Nadu.
Tel: 044-24993266
Fax: 24995179
Email: info@swelectes.com
website : www.swelectes.com

For and on behalf of the Board of Directors

Chennai
28 May, 2015

R. Chellappan
Managing Director

V.C. Raghunath
Whole-time Director

CORPORATE GOVERNANCE CERTIFICATE

To

The Members, SWELECT ENERGY SYSTEMS LIMITED

We have examined the compliance of conditions of Corporate Governance by **SWELECT ENERGY SYSTEMS LIMITED**, for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Chennai

28 May, 2015

R Kannan

Practising Company Secretary
C.P. No. 3363
Door No. 6, Plot 11A,
10th Street, New Colony,
Adambakkam,
Chennai-600088

INDEPENDENT AUDITOR'S REPORT

To the Members of Swelect Energy Systems Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Swelect Energy Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) 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:
 - i. the company has disclosed the impact of pending litigations on its financial position in the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company..

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Subramanian Suresh
Partner
Membership Number: 083673
Place of Signature: Chennai
Date: 28 May 2015

Annexure referred to in our report of even date

Re: Swelect Energy Systems Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year in accordance with a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification of inventory
- (iii) (a) The Company has granted loans to Companies or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of loans granted, repayment of principal is in accordance with stipulations, if any, and the payment of interest has been regular.
- (b) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge, the Central Government have not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/services of the Company.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

S/N	Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
1	Kerala Sales Tax Act, 1963 [*]	Penalty	666,665	2000-2001	Deputy Commissioner, Commercial taxes
2	Delhi Vat Act, 2004	Disputed turnover	1,200,684	2006-2007	Commissioner, Appeals
3	TN VAT Act	Differential tax payment and penalty	49,294,891	2012-2013	Madras High Court
4	Service tax Act [#]	Differential tax and Interest	595,546	2011-2012	Commissioner of service tax
5	Direct Taxes [@]	Disallowances of items	500,000	2009-2010	Commissioner of Income tax Appeals

* Excludes amounts paid under protest amounting to Rs.333,335

Excludes amounts paid under protest amounting to Rs.303,210

@ Excludes amounts paid under protest amounting to Rs.14,075,600

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year other than an amount of Rs.20,311,785, being cost of land, written off in the statement of profit and loss on account of defective title and for which the Company is pursuing a legal claim against certain individuals.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

per Subramanian Suresh

Partner

Membership Number: 083673

Place of Signature : Chennai

Date : 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Balance Sheet as at 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	31 March 2015	31 March 2014
Equity and liabilities			
Shareholders' funds			
Share capital	3	101,058,400	101,058,400
Reserves and surplus	4	6,346,329,273	6,363,443,512
		6,447,387,673	6,464,501,912
Non-current liabilities			
Long-term borrowings	6	891,129,810	752,083,000
Other long-term liabilities	5	6,143,758	19,380,856
Deferred tax liabilities (net)	11	138,444,369	122,246,706
Long-term provisions	7	800,000	800,000
		1,036,517,937	894,510,562
Current liabilities			
Short-term borrowings	6	79,942,299	171,462,501
Trade payables	8	24,358,860	40,727,099
Other current liabilities	8	234,536,401	154,778,813
Short-term provisions	7	34,958,620	110,109,641
		373,796,180	477,078,054
Total		7,857,701,790	7,836,090,528
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	1,529,267,717	1,444,368,522
Intangible assets	10	1,849,592	1,961,266
Capital work-in-progress		150,840,287	112,493,054
Non-current investments	12	1,147,911,543	1,070,385,843
Long-term loans and advances	14	831,430,354	449,180,082
Other assets	15.2	11,356,819	563,977,534
		3,672,656,312	3,642,366,301
Current assets			
Current investments	17	2,517,425,875	2,859,720,313
Inventories	13	117,459,067	173,346,120
Trade receivables	15.1	224,258,713	340,622,281
Cash and bank balances	16	1,273,776,630	748,375,700
Short-term loans and advances	14	22,475,566	35,280,101
Other assets	15.2	29,649,627	36,379,712
		4,185,045,478	4,193,724,227
Total		7,857,701,790	7,836,090,528
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm's registration number: 101049W

Chartered Accountants

per Subramanian Suresh

Partner

ICAI Membership no.: 083673

For and on behalf of the board of directors

R. Chellappan

Managing Director

J. Bhuvaneswari

Company Secretary

Place: Chennai

Date: 28 May 2015

V. C. Raghunath

Director

P. Jagan

Chief Financial Officer

Place: Chennai

Date: 28 May 2015

Place: Chennai

Date: 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Statement of profit and loss for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	31 March 2015	31 March 2014
Income			
Revenue from operations (gross)	18	488,750,112	524,029,631
Less: Excise duty		5,449,364	15,817,195
Revenue from operations (net)		483,300,748	508,212,436
Other income	19	247,857,996	293,600,447
Total revenue		731,158,744	801,812,883
Expenses			
Cost of raw material and components consumed	20	82,100,383	165,631,054
Purchase of traded goods	21	116,503,746	200,394,407
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	21	72,152,375	(50,282,477)
Employee benefits expense	22	66,575,253	59,768,968
Other expenses	23	150,031,292	119,488,103
Depreciation and amortisation expense	24	87,170,924	44,622,786
Finance costs	25	106,821,701	12,738,923
Total expenses		681,355,674	552,361,764
Profit before tax and exceptional items		49,803,070	249,451,119
Exceptional items (Also refer note 40)		(20,311,785)	-
Profit before tax		29,491,285	249,451,119
Tax expenses			
Current tax		638,213	43,647,811
Less: MAT credit entitlement		(638,213)	(43,647,811)
Deferred tax		16,197,663	-
Total tax expense		16,197,663	-
Profit for the year		13,293,622	249,451,119
Earnings per equity share (nominal value of share Rs.10/- (31 March 2014: Rs.10/-))	26		
Basic and diluted earnings per share		1.32	24.68
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm's registration number: 101049W

Chartered Accountants

per Subramanian Suresh

Partner

ICAI Membership no.: 083673

For and on behalf of the board of directors

R. Chellappan

Managing Director

J. Bhuvanewari

Company Secretary

Place: Chennai

Date: 28 May 2015

V. C. Raghunath

Director

P. Jagan

Chief Financial Officer

Place: Chennai

Date: 28 May 2015

Place: Chennai

Date: 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Cash flow statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
A. Cash flow from operating activities:		
Profit before taxation	29,491,285	249,451,119
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation / amortisation	87,170,924	44,622,786
Loss on sale of tangible assets	1,253,799	-
Unrealised foreign exchange loss / (gain), net	2,282,954	(1,931,075)
Net gain from the sale of current investment	(57,767,367)	(100,062,714)
Dividend income - mutual fund	(22,551,454)	(37,462,711)
Remission and write off of debts	-	1,443,100
Liability no longer required written back	(2,258,735)	(1,284,227)
Interest expense	105,989,962	11,609,030
Cost of Land written off (exceptional item)	20,311,785	-
Interest income	(155,472,817)	(143,999,180)
Operating profit before working capital changes	8,450,336	22,386,128
Movement in working capital :		
Decrease/ (Increase) in trade receivables	116,363,568	(206,451,393)
(Increase) in loans and advances	(321,639,161)	(104,746,481)
Decrease / (Increase) in inventories	55,887,052	(54,551,611)
(Decrease) in trade payables, other current and long term liabilities	(27,004,808)	(22,472,387)
Increase in provisions	851,066	1,254,276
Cash used in operations	(167,091,947)	(364,581,468)
Taxes paid, net	(47,806,575)	(270,601,545)
Net cash flow used in operating activities (A)	(214,898,522)	(635,183,013)
B. Cash flow from investing activities:		
Capital expenditure (refer note 1 below)	(315,964,686)	(690,424,420)
Proceeds from sale of tangible assets	13,200,447	-
Redemption / (Investment) in current investments	400,061,804	(108,681,469)
Investment in subsidiaries	(77,525,700)	(70,445,900)
Redemption in bank deposits (having original maturity of more than three months)	20,897,565	481,596,641
Interest received	162,902,902	205,723,784
Dividend received on mutual fund	23,396,829	179,110,179
Net cash flow generated from / (used in) investing activities (B)	226,969,161	(3,121,185)

SWELECT ENERGY SYSTEMS LIMITED

Cash flow statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
C. Cash flow from financing activities:		
(Repayment) of short-term borrowings	(91,520,202)	(98,615,955)
Proceeds from long-term borrowings	283,671,810	752,083,000
Interest paid	(103,289,145)	(11,232,397)
Dividend paid	(90,952,560)	(80,846,720)
Dividend tax paid	(15,457,388)	(13,739,900)
Net cash flow (used in) /generated from financing activities (C)	(17,547,485)	547,648,028
Net decrease in cash and cash equivalents (A + B + C)	(5,476,846)	(90,656,170)
Cash and cash equivalents at the beginning of the year	15,198,814	105,854,984
Closing cash and cash equivalents (Refer Note 2 below)	9,721,968	15,198,814

a) The reconciliation to the cash and bank balances as given in note 16 is as follows:

	31 March 2015	31 March 2014
Cash and bank balances including non-current bank balance	1,285,133,449	1,312,353,234
Less: Term deposit placed with the banks	(1,260,812,452)	(729,089,302)
Less: Non-current bank balance (refer note 15.2)	(11,356,819)	(563,977,534)
Less: Unpaid dividend accounts*	(3,242,210)	(4,087,585)
Cash and cash equivalent at the end of the year	9,721,968	15,198,813

* These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

b) Components of cash and cash equivalents

Balances with banks:		
On current accounts	9,553,479	15,095,153
Cash on hand	168,489	103,660

Notes :

1. Increase in capital expenditure include payments for items in capital work-in-progress and purchase of fixed assets. Adjustments for increase / decrease in current liabilities relating to acquisition of fixed assets have been made to the extent identified.
2. Fixed deposits with banks with maturity period of more than three months amounting to Rs.1,272,169,271 (Previous year Rs. 1,293,066,836) are not included under Cash and Cash equivalents. These fixed deposits include deposits amounting to Rs.486,529,343 (Previous year Rs. 480,055,421) retained in Escrow account pursuant to the transfer of uninterruptible power supply systems business.
3. The accompanying notes are an integral part of the financial statement.

As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm's registration number: 101049W
Chartered Accountants

per Subramanian Suresh
Partner
ICAI Membership no.: 083673

Place: Chennai
Date: 28 May 2015

For and on behalf of the board of directors

R. Chellappan
Managing Director

J. Bhuvaneswari
Company Secretary

Place: Chennai
Date: 28 May 2015

V. C. Raghunath
Director

P. Jagan
Chief Financial Officer

Place: Chennai
Date: 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

1. Nature of operations

SWELECT ENERGY SYSTEMS LIMITED ('the Company') was incorporated as a Public Limited Company on September 12, 1994 and was formerly known as NUMERIC POWER SYSTEMS LIMITED. The Company is engaged in the business of manufacturing and trading of, Solar power projects, solar and wind power generation, contract manufacturing services, installation and maintenance services, sale of Solar Photovoltaic inverters and energy efficient lighting systems.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis under the historical cost convention.

The accounting policies, adopted in the preparation of financial statements are, except when disclosed otherwise consistent with those used in the previous years.

(c) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of income and expenses during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates is recognised prospectively in the current and future years.

(d) Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at cost, less accumulated depreciation/amortisation and impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets comprise of goodwill and computer software.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains and losses arising from derecognition of tangible assets and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of the profit and loss when the asset is derecognised.

(e) Depreciation and amortization:

Depreciation is provided using the straight line method as per the useful lives of the assets estimated by the management as follows:

Building	30 years
Plant and machinery (other than Windmills & Solar Plant)	15 years
Windmills (included under Plant and Machinery)	22 years
Solar Plant	25 years

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

Office equipment	5 years
Electrical equipment	10 years
Computers	3 years
Furniture and fittings	10 years
Vehicles (Motor cars / Motor Vehicles)	8 years / 10 years

Useful lives / depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. From the current year Schedule VI has been replaced by Schedule II to the Companies Act, 2013. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows Companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has reestimated the useful lives and residual values of all its fixed assets. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from the lives prescribed under Schedule II. As a result of change in the estimated useful life the Profit before taxes for the current year is lower by Rs.4,391,061.

The management, supported by independent assessment by professionals has estimated, the useful lives of the following classes of assets.

The useful lives of certain Solar Plant and Machinery to 25 years, respectively. These lives are higher than those indicated in schedule II.

Leasehold improvements are amortised using the straight-line method over their estimated useful lives (5 years) or the remainder of primary lease period, whichever is lower.

Intangible assets are amortised using the straight-line method over a period of five years.

(f) Impairment of tangible and intangible fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statement at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long-term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

(h) Inventories

Inventories are valued as follows:

Raw-materials, stores and spares	Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work-in-progress, finished goods	Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.
Traded goods	Lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods, its accessories and other traded/manufactured goods are recognised when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Revenues under composite contracts comprising supply, installation and commissioning are recognised on dispatch as such services are generally considered insignificant to the contract. The Company collects sales taxes and valued added taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence they are excluded from the revenue.

Excise duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.

Sale of power

Income from sale of power

Revenue from sale of power from renewable energy sources is recognised in accordance with the price agreed under the provisions of the power purchase agreement entered into with Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) and other customers. Such revenue is recognised on the basis of actual units generated and transmitted.

Income from Sale of Renewable Energy Certificates

The revenue from sale of Renewable Energy Certificates (REC) is recognised on delivery thereof or sale of right therein, as the case may be, in accordance with the terms of contract with the respective buyer.

Income from service

Revenue from maintenance contracts and installation contracts are recognised pro-rata over the period of the contract as and when services are rendered. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Service tax is excluded from revenue.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend

Revenue is recognised when the Company's right as a shareholder/unit holder to receive payment is established by the reporting date.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

(j) Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

(k) Retirement and other employee benefits

- (i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent of the pre-payment.
- (ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains / losses are immediately taken to statement of profit and loss, and are not deferred.
- (iii) Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- (iv) The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(l) Income taxes

Provision for income tax is made for current and deferred taxes. Provision for current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets, other than those arising from undertakings enjoying tax holiday benefits, are recognised and carried forward only

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against the future taxable profits.

At each balance sheet date the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(m) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

(n) Leases

Leases where, the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

(o) Provision

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provision for warranty:

Provisions for warranty related costs are recognised when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually. A provision is recognised for expected warranty claims on product sold, based on past experience of the levels of repairs and returns. Assumptions used to calculate the provision for warranties are based on the current sales levels and current information available about returns based on the average warranty period for the product portfolio of the Company.

(p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(q) Cash and Cash equivalents

Cash and Cash equivalents for the purpose of cash flow statement comprise cash at bank and on hand, including cheques on hand and short-term investments with an original maturity of three months or less.

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost / inventory of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(s) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments and items associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
3 Share capital		
Authorised shares		
20,000,000 (Previous year - 20,000,000) equity shares of Rs.10/- each	200,000,000	200,000,000
Issued, subscribed and fully paid-up shares		
10,105,840 (previous year - 10,105,840) equity shares of Rs. 10/- each	101,058,400	101,058,400
Total issued, subscribed and fully paid-up share capital	101,058,400	101,058,400

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

	31 March 2015		31 March 2014	
	Number of shares	Rupees	Number of shares	Rupees
At the beginning of the year	10,105,840	101,058,400	10,105,840	101,058,400
Movement during the year	-	-	-	-
Outstanding at the end of the year	10,105,840	101,058,400	10,105,840	101,058,400

b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount of per share dividend recognised as distributions to equity shareholders for interim dividend was Rs. Nil (31 March 2014 Rs.Nil/-) and proposed dividend was Rs.2.50 /- (31 March 2014: Rs. 9/-).

In the event of the liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholders.

c. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31 March 2015	31 March 2014
	Number of shares	Number of shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium (during the year ended March 2010)	-	5,052,920
Equity shares allotted as fully paid up pursuant to the merger of UPS division of Swelect Electronics Private Limited for consideration other than cash (during the year ended March 2010).	-	52,920

d. Details of shareholders holding more than 5% shares in the Company

	31 March 2015		31 March 2014	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs.10/- each fully paid				
R. Chellappan, Managing Director	4,747,054	46.97%	4,747,054	46.97%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

4 Reserves and surplus

	31 March 2015	31 March 2014
Capital reserve		
Balance as per the last financial statements	15,263,880	15,263,880
Movement during the year	-	-
Closing balance	15,263,880	15,263,880
Securities premium account		
Balance as per the last financial statements	18,268,300	18,268,300
Movement during the year	-	-
Closing balance	18,268,300	18,268,300
General reserve		
Balance as per the last financial statements	1,786,628,003	1,761,682,891
Add: amount transferred from surplus balance in the statement of profit and loss	1,329,362	24,945,112
Closing balance	1,787,957,365	1,786,628,003
Surplus in the statement of profit and loss		
Balance as per last financial statements	4,543,283,329	4,425,187,270
Profit for the year	13,293,622	249,451,119
<u>Less: Appropriations</u>		
Proposed final equity dividend		
(amount per share: Rs.2.5 /- (31 March 2014: Rs. 9/-))	(25,264,600)	(90,952,560)
Tax on proposed equity dividend	(5,143,261)	(15,457,388)
Transferred to general reserve	(1,329,362)	(24,945,112)
Total appropriations	(31,737,223)	(131,355,060)
Net surplus in the statement of profit and loss	4,524,839,728	4,543,283,329
Total reserves and surplus	6,346,329,273	6,363,443,512

5 Other long-term liabilities

Rental deposit	6,143,758	19,380,856
	6,143,758	19,380,856

6 Borrowings

	Long-term		Short-term	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Secured borrowings				
Overdraft facility from bank	-	-	79,942,299	171,462,501
Term loan from Banks	891,129,810	752,083,000	-	-
	891,129,810	752,083,000	79,942,299	171,462,501

The overdraft facility from the Bank is secured against the Fixed Deposits of the Company and it is repayable on demand.

Term loans from Bank I amounting to Rs. 598,000,000 (Previous year Rs. 578,500,000) are repayable in 16 installments of Rs. 29,406,250 (Previous year Rs. 29,406,250 of 16 installments each) each per quarter starting from June 2015 onwards and ends on March 2019, 16 installments of Rs. 4,343,750 (Previous year Nil) each per quarter starting from June 2016 and ends on March 2020 and 8 installments of Rs. 6,750,000 each per quarter (Previous year - 16 installments of Rs. 6,750,000 each per quarter) starting from May 2015 till May 2017 and 1 installment of Rs.4,000,000 (Previous year - Nil) payable on May 2017. These loans are secured by a pledge on the investments in mutual funds of the Company.

Term loans from Bank II amounting to Rs. 437,754,810 (Previous year Rs. 173,583,000) are for a period of three years with bullet repayment terms. These loans are secured by investments in mutual funds of the Company.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

7 Provisions

	Long-term		Short-term	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Provision for employee benefits				
Provision for gratuity (refer note 27)	-	-	-	577,686
Provision for leave benefits	-	-	3,650,759	2,222,007
Total (A)	-	-	3,650,759	2,799,693
Other provisions				
Provision for warranties	800,000	800,000	900,000	900,000
Proposed equity dividend			25,264,600	90,952,560
Provision for tax on proposed equity dividend			5,143,261	15,457,388
Total (B)	800,000	800,000	31,307,861	107,309,948
Total (A)+(B)	800,000	800,000	34,958,620	110,109,641

Provision for warranties	31 March 2015	31 March 2014
At the beginning of the year	1,700,000	1,000,000
Arising during the year	-	700,000
Utilised during the year	-	-
At the end of the year	1,700,000	1,700,000

8 Trade payables and other current liabilities

Trade payables	24,358,860	40,727,099
(refer note below regarding dues to micro, small and medium enterprises)		
Other current liabilities		
Interest accrued and due on borrowings	3,855,907	1,155,090
Current Maturities of Long-term Debt	144,625,000	-
Deferred service income	212,657	-
Unpaid dividend	3,242,211	4,087,585
Payables for capital purchases	58,378,065	132,460,422
Advance from customers	7,656,641	3,117,435
Statutory dues payables	3,371,860	13,958,281
Rental Deposits Received	13,194,060	-
	234,536,401	154,778,813
	258,895,261	195,505,912

Note:

There is no overdue amount payable to Micro, Small and Medium Enterprises as defined under "The Micro Small and Medium Enterprises Development Act, 2006". Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the year.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

9 Tangible assets

Particulars	Land	Buildings (Refer 9(a & c))	Plant and machinery (Refer 9 (b & d))	Office & Electrical equipment	Computers	Furniture and fittings	Vehicles	Leasehold improvements	Total
Cost									
At 1 April 2013	125,143,329	339,524,093	393,500,795	43,722,017	3,606,138	45,614,879	15,455,300	4,169,751	970,736,302
Additions	-	1,052,105	704,303,608	3,296,967	717,849	221,050	703,667	212,704	710,507,950
Deletions	-	-	-	-	-	-	-	-	-
At 31 March 2014	125,143,329	340,576,198	1,097,804,403	47,018,984	4,323,987	45,835,929	16,159,967	4,382,455	1,681,244,252
Additions	8,782,380	-	198,307,096	3,243,416	1,006,038	84,453	97,668	-	211,521,051
Deletions/Adjustment	(23,042,996)	(2,892,807)	(6,686,364)	(13,878,403)	-	-	-	-	(46,500,570)
At 31 March 2015	110,882,713	337,683,391	1,289,425,135	36,383,997	5,330,025	45,920,382	16,256,635	4,382,455	1,846,264,733
Depreciation									
At 1 April 2013	-	63,174,419	82,961,123	14,774,140	1,782,549	19,359,924	8,128,200	2,597,601	192,777,956
Charge for the year	-	11,375,245	24,568,034	2,204,224	664,426	2,896,659	1,521,732	867,454	44,097,774
Deletions	-	-	-	-	-	-	-	-	-
At 31 March 2014	-	74,549,664	107,529,157	16,978,364	2,446,975	22,256,583	9,649,932	3,465,055	236,875,730
Charge for the year	-	11,157,917	58,146,150	7,234,316	1,436,433	6,382,204	1,788,271	459,831	86,605,122
Deletions/Adjustment	-	(354,030)	(918,871)	(5,210,935)	-	-	-	-	(6,483,836)
As at 31 March 2015	-	85,353,551	164,756,436	19,001,745	3,883,408	28,638,787	11,438,203	3,924,886	316,997,016
Net Block									
At 31 March 2014	125,143,329	266,026,534	990,275,246	30,040,620	1,877,012	23,573,346	6,509,035	917,400	1,444,368,522
At 31 March 2015	110,882,713	252,329,840	1,124,668,699	17,382,252	1,446,617	17,281,595	4,818,432	457,569	1,529,267,717

Notes:

Particulars	Gross block	Depreciation charge for the year	Accumulated Depreciation	Net book value
a. Buildings includes those constructed on leasehold land As at 31 March 2015 As at 31 March 2014	1,052,105 1,052,105	35,140 35,140	70,280 35,140	981,825 1,016,965
b. Plant and machinery includes assets given on operating lease (Represent plant and machinery leased for a term of 11 months to the subsidiaries of the company) As at 31 March 2015 As at 31 March 2014	65,448,865 46,633,726	4,433,521 2,051,328	9,032,793 4,599,272	56,416,072 42,034,454
c. Buildings include assets given on operating lease As at 31 March 2015 As at 31 March 2014	255,238,872 255,238,872	6,808,832 6,808,832	62,581,420 55,772,588	192,657,452 199,466,284

d. Additions to plant and machinery includes asset amounting to Rs.160,112,495 (Previous year Rs. 645,576,693) related to solar plant constructed on lease hold land taken for a period of 25 years from Swelect Green Energy Solutions Private Limited and interest on borrowing amounting to Rs.715,305 (Previous year Rs. 9,926,484) has been capitalised.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

10 Intangible assets

Particulars	Goodwill	Computer software	Total
Gross block			
At 1 April 2013	13,816,060	2,518,899	16,334,959
Additions	-	134,633	134,633
Disposals	-	-	-
At 31 March 2014	13,816,060	2,653,532	16,469,592
Additions	-	454,128	454,128
Disposals / Adjustment	-	-	-
At 31 March 2015	13,816,060	3,107,660	16,923,720
Amortisation			
At 1 April 2013	13,816,060	167,254	13,983,314
Charge for the year	-	525,012	525,012
Disposals	-	-	-
At 31 March 2014	13,816,060	692,266	14,508,326
Charge for the year	-	565,802	565,802
Disposals	-	-	-
At 31 March 2015	13,816,060	1,258,068	565,802
Net block			
At 31 March 2014	-	1,961,266	1,961,266
At 31 March 2015	-	1,849,592	1,849,592

11 Deferred tax liabilities (net)

	31 March 2015	31 March 2014
Deferred tax liability		
Fixed assets: Impact on difference between tax depreciation and depreciation / amortisation charged for the financial reporting	375,671,903	129,379,923
Gross deferred tax liability	375,671,903	129,379,923
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	(7,783,533)	(1,523,685)
Carry forward business loss and unabsorbed depreciation	(229,444,001)	(5,609,532)
Gross deferred tax asset	(237,227,534)	(7,133,217)
Deferred tax liabilities (net)	138,444,369	122,246,706

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

12 Non-current investments

	31 March 2015	31 March 2014
Trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments of subsidiaries (unquoted)		
244,000 (Previous year - 244,000) equity shares of Swelect Solar Energy Private Limited, Rs.100/- each fully paid	24,400,000	24,400,000
12,232,500 (Previous year - 12,232,500) equity shares of Singapore Dollar 1/- each fully paid in Swelect Energy Systems Pte. Limited.	437,290,241	437,290,241
5,500,000 (Previous year - 4,500,000) of equity shares of Amex Irons Private Limited, Rs.10/- each fully paid	109,500,000	99,500,000
1,000,000 (Previous year - 1,000,000) of equity shares of Amex Alloys Private Limited, Rs.10/- each fully paid	54,118,000	54,118,000
3,739,716 (Previous year - 1,832,400) of equity shares of HHV Solar Technologies Limited, Rs.10/- each fully paid	267,443,172	218,602,602
135,000 (Previous year - 70,000) of equity shares of Swelect Green Energy Solutions Private Limited, Rs.100/- each fully paid	13,500,000	7,000,000
Investment in preference shares instruments of subsidiaries (unquoted)		
125,000 (Previous year - 250,000) of 10% Cumulative redeemable preference shares of Amex Alloys Private Limited, Rs.100/- each fully paid	12,500,000	25,000,000
17,616,013 (Previous year - 15,000,000) of 10% Cumulative redeemable preference shares of HHV Solar Technologies Limited, Rs.10/- each fully paid	176,160,130	150,000,000
Investment in joint ventures (unquoted)		
Nil (Previous year - 2,500) equity shares of Rs 100/- each fully paid in Swelect Infrastructure Services Private Limited	-	250,000
	1,094,911,543	1,016,160,843
Non trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (unquoted)		
300,000 (Previous year - 300,000) equity shares of Rs 10/- each fully paid in Gem Sugars Limited	3,000,000	3,000,000
Investment in tax free bonds (unquoted)		
50,000 (Previous year - 50,000) bonds of Rs.1,000/- each fully paid in Housing and Urban Development Corporation Limited	50,000,000	50,000,000
Investment in associates (unquoted)		
Nil (Previous year - 12,250) equity shares of Rs 100/- each fully paid in Swelect - Sunpac Power Protection Private Limited	-	1,225,000
	53,000,000	54,225,000
	1,147,911,543	1,070,385,843
Aggregate amount of unquoted investments	1,147,911,543	1,070,385,843
13 Inventories (valued at lower of cost and net realisable value)		
Raw materials and components	81,379,728	65,114,406
Work-in-progress	4,686,405	4,935,530
Finished goods	84,789	650,076
Traded goods	31,308,145	102,646,108
	117,459,067	173,346,120

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

14 Loans and advances	Non- current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Capital advances				
Unsecured, considered good	92,827,979	9,590,369	-	-
(A)	92,827,979	9,590,369	-	-
Security deposit				
Unsecured, considered good	8,225,876	9,374,943	3,654,482	21,721,033
(B)	8,225,876	9,374,943	3,654,482	21,721,033
Loan and advances to related parties (refer note 31)				
Unsecured, considered good	567,541,233	302,671,230	-	-
(C)	567,541,233	302,671,230	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	3,511,884	9,940,587
(D)	-	-	3,511,884	9,940,587
Other loans and advances				
<u>Unsecured, considered good:</u>				
Advance income-tax (net of provision for taxation)	107,582,689	60,414,327	-	-
MAT credit entitlement	44,286,024	43,647,811	-	-
Prepaid expenses	8,452,506	8,803,849	2,226,007	1,901,761
Loans to employees	690,751	789,399	500,600	617,802
Balances with government authorities	1,823,296	13,888,154	12,582,592	1,098,918
(E)	162,835,266	127,543,540	15,309,200	3,618,481
<u>Unsecured, considered doubtful:</u>				
Balances with government authorities	-	-	3,159,000	3,159,000
Provision for doubtful advance	-	-	(3,159,000)	(3,159,000)
(F)	-	-	-	-
Total (A+ B + C + D + E + F)	831,430,354	449,180,082	22,475,566	35,280,101

Loans and advances to related parties include:

Due from subsidiary companies in which Managing director is a director:

	Non-current		Maximum amount outstanding	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
-- Amex Alloys Private Limited	96,221,775	74,724,844	96,221,775	76,759,861
-- Amex Irons Private Limited	153,334,583	78,512,689	153,334,583	78,512,689
-- BS Powertech Solutions Private Limited	63,912,363	47,081,899	101,414,633	47,081,899
-- Swelect Solar Energy Private Limited	38,905,011	38,677,609	38,905,011	40,805,699
-- Swelect Green Energy Solutions Private Limited	11,877,371	6,210,501	11,877,371	13,744,026
-- HHV Solar Technologies Limited	203,290,130	57,463,688	205,774,143	111,666,951

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

15 Trade receivables and other assets

15.1 Trade receivables

	Current	
	31 March 2015	31 March 2014
Outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered good	145,832,549	93,269,300
(A)	145,832,549	93,269,300
Other receivables		
- Unsecured, considered good	78,426,164	247,352,981
(B)	78,426,164	247,352,981
Total (A + B)	224,258,713	340,622,281

Included in trade receivables are:

Dues from subsidiary companies in which the Managing director is a director:

-- BS Powertech Solutions Private Limited	17,175,781	54,309,371
-- Amex Alloys Private Limited	104,568,372	176,314,109
-- Amex Irons Private Limited	2,773,305	-
-- Swelect Energy Systems Pte. Limited	1,185,138	1,188,332

15.2 Other assets

Unsecured, considered good

	Non-Current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Non - current bank balance (note 16) #	11,356,819	563,977,534	-	-
Interest accrued on fixed deposits	-	-	28,949,627	36,379,712
Others	-	-	700,000	-
	11,356,819	563,977,534	29,649,627	36,379,712

Includes deposits amounting to Rs. NIL (Previous year Rs. 480,055,420) retained in the Escrow account pursuant to the transfer of uninterruptible power supply systems business.

16 Cash and bank balances

Cash and cash equivalents

Balances with banks:

On current accounts	9,553,479	15,095,153
On unpaid dividend accounts	3,242,210	4,087,585

Cash on hand

	168,489	103,660
Total (A)	12,964,178	19,286,398

Other bank balances

Deposits with original maturity for more than 12 months (Refer note below)	11,356,819	563,977,534	486,529,343	-
Deposits with original maturity for more than 3 months but less than 12 months (Refer note below)*	-	-	774,283,109	729,089,302

Total (B)	11,356,819	563,977,534	1,260,812,452	729,089,302
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Amount disclosed under other assets (note 15.2)	(11,356,819)	(563,977,534)	-	-
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Total cash and bank balances (A+B)	-	-	1,273,776,630	748,375,700
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* Deposits to the extent of Rs.734,251,097 (Previous year Rs 50,000,000) have been given as collateral to the banks to facilitate the availment of working capital, packing credit, letter of credit and term loans for the Company and Subsidiaries.

Note :

Current bank balance include deposits amounting to Rs. 486,529,343 (net) (Previous Year: Rs.480,055,420), disclosed under Note 15.2 Other Assets) retained in the Escrow account pursuant to the transfer of uninterruptible power supply systems business, which would mature on May 29, 2015.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

17 Current investments

	31 March 2015	31 March 2014
Current investments (valued at lower of cost and fair value, unless stated otherwise) Unquoted mutual funds		
NIL (Previous year - 1,114,602) unit of Rs. 100/- each fully paid up ICICI Prudential Liquid Super Institutional Fund - daily dividend plan	-	111,515,612
NIL (Previous year - 202,936) unit of Rs. 1000/- each fully paid up Templeton India Treasury Management Account Super Institutional Plan - Daily dividend reinvestment plan	-	203,072,441
NIL (Previous year - 660,344) unit of Rs. 100/- each fully paid up Birla Sunlife Saving Fund daily dividend reinvestment plan	-	66,230,532
NIL (Previous year - 8,972) unit of Rs.10/- each fully paid up UTI Money Market Fund	-	12,072,728
202 (Previous year - 190) unit of Rs. 1000/- each fully paid up SBI Premier Liquid Fund - daily dividend growth plan	202,751	190,914
91,319 (Previous year - 85,726) unit of Rs. 100/- each fully paid up ICICI Prudential Flexible Income Daily Dividend Reinvestment plan	9,655,772	9,064,266
NIL (Previous year - 55,375) of Rs.10/- each fully paid up SBI Premier Liquid Fund - daily dividend plan	-	55,555,100
12,000,000 (Previous year - 12,000,000) unit of Rs.10/- each fully paid up SBI Debt fund series -380 Days - Regular growth plan	120,000,000	120,000,000
21,000,000 (Previous year - 21,000,000) unit of Rs.10/- each fully paid up HDFC Fixed Maturity plan 390 days Regular growth plan*	210,000,000	210,000,000
21,000,000 (Previous year - 21,000,000) unit of Rs. 10/- each fully paid up DWS Fixed maturity plan - regular growth plan*	210,000,000	210,000,000
21,000,000 (Previous year - 21,000,000) unit of Rs.10/- each fully paid up SBI debt fund 385 days - regular growth plan*	210,000,000	210,000,000
8,201,872 (Previous year - 8,201,872) unit of Rs. 10/- each fully paid up Birla Sunlife Fixed Plan Series 499 days - regular growth plan*	82,018,720	82,018,720
3,000,000 (Previous year - 3,000,000) unit of Rs. 10/- each fully paid up Birla Sunlife Fixed Term plan series 400 days - Regular growth plan*	300,000,000	300,000,000
5,000,000 (Previous year - 5,000,000) unit of Rs. 10/- each fully paid up HSBC Fixed term series 109 days - FMP - 1 year	50,000,000	50,000,000
20,000,000 (Previous year - 20,000,000) unit of Rs.10/- each fully paid up Kotak Fixed Maturity Plan - growth series*	200,000,000	200,000,000
5,000,000 (Previous year - 5,000,000) unit of Rs. 10/- each fully paid up Kotak Fixed Maturity Plan series 151 days - growth plan*	50,000,000	50,000,000
22,000,000 (Previous year - 22,000,000) unit of Rs.10/- each fully paid up HDFC Mutual Fund fixed maturity plan 390 Days regular growth plan*	220,000,000	220,000,000
21,000,000 (Previous year - 21,000,000) Unit of Rs. 10/- each fully paid up SBI Debt Fund Series - 390 days - daily dividend plan	250,000,000	250,000,000
NIL (Previous year - 50,000,000) unit of Rs. 10/- each fully paid up SBI Debt Fund Series - 366 Days direct growth plan	-	500,000,000

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
594,612.305 (Previous year - Nil) Unit of Rs.10/- each fully paid up Birla Sunlife Savings Fund - Daily Dividend - Regular Plan Reinvestment	59,637,830	-
979,078.074 (Previous year- Nil) Unit of Rs.10/- each fully paid up ICICI Prudential Liquid -Regular Plan - Daily Dividend	97,970,076	-
195,912.084 (Previous year - Nil) Unit of Rs.10/- each paid up Franklin India Treasury Management Account - Super Institutional Plan Daily Dividend	196,052,435	-
250,138.76 (Previous year - Nil) Unit of Rs.10/- each fully paid up SBI Ultra short term debt fund - Direct Plan - Daily dividend	251,388,291	-
LIC Endowment Plus	500,000	-
	2,517,425,875	2,859,720,313
Aggregate cost of unquoted investments	2,517,425,875	2,859,720,313

Note:

*Investments marked have been pledged as collateral securities with banks for availment of term loans. (Refer Note 6).

18 Revenue from operations (net)

	31 March 2015	31 March 2014
Revenue from operations		
Sale of products		
Manufactured goods	129,615,957	223,253,054
Traded goods	186,928,658	203,674,108
Sale of services	21,157,694	18,938,780
Sale of power	89,178,535	17,588,877
Other operating revenue		
Scrap sales	1,822,992	1,829,969
Rental Income (Refer Note 28)	60,046,276	58,744,843
Revenue from operations (gross)	488,750,112	524,029,631
Less: Excise duty	5,449,364	15,817,195
Revenue from operations (net)	483,300,748	508,212,436
Details of products sold		
Manufactured goods sold		
--Contract manufacturing	46,324,654	145,927,761
--Solar Energy Systems	83,291,303	77,325,293
	129,615,957	223,253,054
Traded goods sold		
--Solar Energy Systems	186,928,658	203,674,108
	186,928,658	203,674,108

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

19 Other income	31 March 2015	31 March 2014
Interest income	155,472,817	143,999,180
Dividend income from:		
Investment in subsidiaries	3,750,000	3,750,000
Exchange differences (net)	-	3,320,812
Net gain from the sale of current investments	57,767,367	100,062,714
Dividend income on current investments - mutual fund	22,551,454	37,462,711
Rental income	15,000	30,000
Liabilities no longer required, written back	2,258,735	1,284,227
Other non-operating income	6,042,623	3,690,803
	247,857,996	293,600,447
20 Cost of raw material and components consumed	31 March 2015	31 March 2014
Inventory at the beginning of the year	65,114,406	60,845,272
Purchases	98,365,705	169,900,188
	163,480,111	230,745,460
Less: inventory at the end of the year	81,379,728	65,114,406
Cost of raw material and components consumed	82,100,383	165,631,054
Details of raw material and components consumed		
Batteries	1,588,736	19,372,501
Semi-knocked down components	6,419,469	26,003,049
Solar panel and accessories	59,847,851	64,772,188
Others	14,244,327	55,483,316
	82,100,383	165,631,054
Details of inventory at the end of the year		
Raw materials and components		
Batteries	811,532	1,840,188
Semi-knocked down components	8,771,957	12,956,557
Solar panel and accessories	58,944,782	35,400,459
Others	12,851,457	14,917,202
	81,379,728	65,114,406

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

21 (Increase) / decrease in inventories

	31 March 2015	31 March 2014
Inventories at the end of the year		
Traded goods	31,308,145	102,646,108
Work-in-progress	4,686,405	4,935,530
Finished goods	84,789	650,076
	36,079,339	108,231,714
Inventories at the beginning of the year		
Traded goods	102,646,108	52,941,246
Work-in-progress	4,935,530	4,041,753
Finished goods	650,076	966,238
	108,231,714	57,949,237
	72,152,375	(50,282,477)
Details of purchase of traded goods		
Batteries	53,186	105,923
Solar Energy Systems	111,376,118	140,830,944
Others	5,074,442	59,457,540
	116,503,746	200,394,407
Details of inventory		
Traded goods		
Batteries	12,739,107	-
Solar Energy Systems	11,397,419	101,577,197
Others	7,171,619	1,068,911
	31,308,145	102,646,108
Work-in-progress		
Semi-manufactured UPS Systems	2,695,079	3,540,375
Others	1,991,326	1,395,155
	4,686,405	4,935,530
Finished goods		
Manufactured UPS Systems	84,789	259,260
Others	-	390,816
	84,789	650,076

22 Employee benefit expense

	31 March 2015	31 March 2014
Salaries, wages and bonus	58,461,333	51,958,535
Contribution to provident and other funds	3,393,797	2,764,209
Gratuity expense (refer note 27)	1,148,134	977,748
Staff welfare expenses	3,571,989	4,068,476
	66,575,253	59,768,968

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

23 Other expenses

	31 March 2015	31 March 2014
Sub-contracting and processing expenses	24,325,718	41,715,890
Service and maintenance charges	1,154,565	353,592
Power and fuel	1,955,863	2,218,054
Wheeling Charges	5,159,110	-
Freight and forwarding charges	2,296,853	2,708,829
Rent (refer note 28)	5,300,390	3,935,679
Rates and taxes	7,164,833	4,689,580
Insurance	2,858,150	1,682,509
Repairs and maintenance		
- Plant & Machinery	3,081,434	1,036,893
- Buildings	568,685	277,402
- Others	4,394,720	5,161,326
Corporate social responsibility	3,469,334	-
Sales promotion	5,218,974	4,393,919
Advertisement	3,599,323	9,143,503
Travelling and conveyance	10,916,526	10,246,083
Communication costs	3,359,207	1,987,466
Printing and stationery	2,253,708	1,924,521
Exchange differences (net)	2,004,386	-
Legal and professional fees	13,388,393	8,503,880
Payment to auditor (Refer details below)	3,600,674	3,227,384
Bad debts/advances written off	-	1,443,100
Investments written off	1,475,000	-
Loss on Sale of Assets	1,253,799	-
Provision for warranties (net of reversals)	-	700,000
Miscellaneous expenses	41,231,647	14,138,493
	150,031,292	119,488,103
Payment to auditor		
As auditor:		
Audit fee	2,100,000	2,100,000
Limited review	900,000	900,000
In other capacity:		
Reimbursement of expenses	600,674	227,384
	3,600,674	3,227,384

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

24 Depreciation and amortisation expense

	31 March 2015	31 March 2014
Depreciation of tangible assets	86,605,122	44,097,774
Amortisation of intangible assets	565,802	525,012
	87,170,924	44,622,786

25 Finance costs

Interest	105,989,962	11,609,030
Bank and other charges	831,739	1,129,893
	106,821,701	12,738,923

26 Earnings price per share (EPS)

	31 March 2015	31 March 2014
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit after tax as per Statement of Profit & Loss, before exceptional item - (A)	33,605,407	249,451,119
Less: Exceptional item - (B)	20,311,785	-
Net profit attributable to the equity share holders excluding exceptional items (A - B) = C	13,293,622	249,451,119
	Number of shares	Number of shares
Weighted average number of equity shares - (D)	10,105,840	10,105,840
Basic and diluted earnings per share - total Profit - (C/D)	1.32	24.68

27 Employee benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an Insurance Company in the form of a qualifying insurance policy.

The following table summarises the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Net employee benefit expense (recognised in personnel expenses)

Particulars	31 March 2015	31 March 2014
Current service cost	619,495	375,423
Interest cost on benefit obligations	302,046	180,594
Expected return on plan assets	(400,624)	(194,233)
Net actuarial loss recognised in the year	627,217	615,964
Net benefit expense	1,148,134	977,748
Actual return on plan assets	(400,624)	(194,233)
Details of provision for gratuity		
Present value of obligations at the end of the year	4,408,025	2,903,387
Less : Fair value of plan assets at the end of the year	(4,565,675)	(2,325,701)
Plan liability/(asset)	(157,650)	577,686

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

Changes in the present value of the defined benefit obligations are as follows:

	31 March 2015	31 March 2014
Present value of obligations at the beginning of the year	2,903,387	2,257,421
Interest cost	302,046	180,594
Current service cost	619,495	375,423
Benefits paid	(44,120)	(526,015)
Actuarial loss on obligations	627,217	615,964
Present value of obligations at the end of the year	4,408,025	2,903,387

Changes in the fair value of plan assets are as follows:

Fair value of planned assets at the beginning of the year	2,325,701	1,230,149
Expected return on plan assets	400,624	194,233
Contributions	1,883,470	1,427,334
Benefits paid	(44,120)	(526,015)
Fair value of plan assets at the end of the year	4,565,675	2,325,701

Amount for the current and previous four years are as follows:

Year ended	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligations	4,408,025	2,903,387	2,257,421	45,149,623	35,595,878
Plan assets	4,565,675	2,325,701	1,230,149	36,164,797	29,698,026
Deficit / (Surplus)	(157,650)	577,686	1,027,272	8,984,826	5,897,852
Experience adjustments on plan liabilities / (asset)	627,217	615,964	(6,508,704)	4,189,414	2,839,441

The principal assumptions used in determining Gratuity and Compensated absences benefit obligations for the Company's plan are shown below:

Particulars	31 March 2015	31 March 2014
Discount rate (p.a)	8.0%	8.0%
Salary Escalation rate (p.a)	5.0%	5.0%
Expected return on plan assets (p.a)	8.0%	8.0%
Employee turnover	1% - 3%	1% - 3%
Contribution expected to be paid during the next year	47,650	44,120

The fund is administered by Life Insurance Corporation of India ("LIC"). The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the year over which the obligations is to be settled.

The estimates of future salary increases and rate of attrition considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

28 Leases

Operating leases: Company as lessee

Particulars	31 March 2015	31 March 2014
Lease payments for the year	5,300,390	3,935,679
Future minimum rentals payable under operating leases are as follows:		
Not later than one year	486,217	2,285,390
Later than one year but not later than five years	-	486,217
Later than five years	-	-
	486,217	2,771,607

Operating leases: Company as lessor

Particulars	31 March 2015	31 March 2014
Lease rent received for the year	60,046,276	58,744,843
Future minimum lease rental receivable under operating lease are as follows:		
Not later than one year	26,886,673	57,542,639
Later than one year but not later than five years	13,523,214	92,821,536
Later than five years	-	-
	40,409,887	150,364,175

The Company has entered into non - cancellable operating lease of its buildings (remaining term 2 months).

29 Segment information

A. Primary segment information (By Business segments)

The Company's operations represents revenue from Solar power projects, solar and wind power generation, contract manufacturing services, installation and maintenance services, sale of solar PV inverters and energy efficient lighting systems. Accordingly, revenues based on class of products comprise the primary basis of segmental information set out in the financial statements.

Business (Primary) segments of the Company are:

- Contract manufacturing - UPS Systems
- Solar Energy Systems / Services
- Others

Particulars	31 March 2015	31 March 2014
1. Segment revenue		
-- Contract manufacturing	42,794,871	130,110,566
-- Solar Energy Systems / Services	380,459,601	317,527,058
-- Others	60,046,276	60,574,812
Total revenue (net)	483,300,748	508,212,436

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
2. Segment results		
Segment profits before finance charges and tax		
-- Contract manufacturing	5,953,954	14,339,766
-- Solar Energy Systems / Services	(64,702,220)	(35,934,571)
-- Others	20,710,546	48,355,723
Exceptional items (refer note 40)	(20,311,785)	-
Other unallocable income	193,830,752	234,299,231
Finance Charges	(105,989,962)	(11,609,030)
Total profits before tax	29,491,285	249,451,119
Tax expenses	(16,197,663)	-
Total profits after tax	13,293,622	249,451,119
3. Segment assets		
-- Contract manufacturing	106,962,130	110,155,556
-- Solar Energy Systems / Services	3,533,904,704	3,245,273,485
-- Others	3,994,893,109	4,281,195,202
-- Un-allocable assets	221,941,850	199,466,285
Total assets	7,857,701,793	7,836,090,528
4. Segment liabilities		
-- Contract manufacturing	9,300,226	2,877,816
-- Solar Energy Systems / Services	902,117,874	1,059,830,922
-- Others	498,896,020	308,879,878
Total liabilities	1,410,314,120	1,371,588,616
5. Additions to tangible and intangible fixed assets		
-- Solar Energy Systems / Services	349,147,383	694,205,639
-- Others	13,668,083	16,436,944
Total additions to tangible & intangible fixed assets	362,815,466	710,642,583
6. Depreciation / Amortisation		
-- Contract manufacturing	2,378,394	2,378,394
-- Solar Energy Systems / Services	44,040,600	32,395,102
-- Others	40,751,930	9,849,290
Total depreciation / amortisation	87,170,924	44,622,786

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

B. Secondary segment information (By Geographical segments)

The following table shows the geographical distribution of the Company's segment revenues and additions to tangible and intangible assets for the year ended 31 March 2015 and year ended 31 March 2014. All tangible and intangible assets are located only in India except trade receivable and investment.

Particulars	Geographical segment			
	31 March 2015		31 March 2014	
	Outside India	India	Outside India	India
Revenues				
Sale to external customer	-	483,300,748	-	508,212,436
Additions to tangible and intangible assets	-	362,815,466	-	710,642,583
Segment assets	1,185,138	7,856,516,652	440,614,754	7,395,475,773

30 Information in respect of Joint Venture in terms of Accounting Standard 27 -

Financial Reporting of Interests in Joint Ventures

Name of the Joint Venture:	Swelect Infrastructure Services Private Limited
Nature of business	Providing infrastructure services.
Proportion of ownership interest:	NIL (Previous year - 50%)
Date of incorporation:	02 April 2004
Country of incorporation:	India

Summary of assets and liabilities:

(Details given below represent proportionate amount of the Company's share in Joint Venture)

The Joint Venture has been wound up during the current year and hence the entire amount of investment has been written off

	31 March 2015	31 March 2014
Equity and liabilities		
Shareholders' funds		
Share capital	-	250,000
Reserves and surplus	-	520,928
	-	770,928
Non-current liabilities		
Deferred tax liabilities (net)	-	22,549
Current liabilities		
Trade payables	-	-
Other current liabilities	-	5,618
	-	5,618
Total	-	799,095

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
Asset		
Non-current assets		
Fixed assets		
Tangible assets	-	48,179
	-	48,179
Current assets		
Trade receivables	-	-
Cash and bank balances	-	750,916
Short-term loans and advances	-	-
	-	750,916
Total	-	799,095

Summary of income and expenditure:

(Details given below represent proportionate amount of the Company's share in joint venture)

	31 March 2015	31 March 2014
Other Income	28,167	896,489
Expenses		
Personnel expenses	-	-
Manufacturing and other expenses	750,917	966,582
Depreciation	48,179	10,000
Financial expenses	-	-
	(770,929)	(80,093)

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

31 Related party transactions

1. Names of related parties and nature of relationship

Subsidiaries	Swelect Energy Systems Pte. Limited
	Swelect Solar Energy Private Limited
	Amex Alloys Private Limited
	Amex Irons Private Limited
	HHV Solar Technologies Limited (Formerly known as 'HHV Solar Technologies Private Limited')
	BS Powertech Solutions Private Limited
	Swelect Green Energy Solutions Private Limited
Associate	Swelect Sunpac Power Protection Private Limited (Upto September 2014)
Joint Venture	Swelect Infrastructure Services Private Limited (Upto September 2014)
Enterprises owned or significantly influenced by key management personnel or their relatives	Swelect Electronics Private Limited
	Swelect Technologies Private Limited
Key Management Personnel	Mr. R Chellappan - Managing Director
	Mr. V. C. Raghunath -Director (w.e.f July 2014)
Relatives of key management personnel	Mrs. Gunasundari Chellappan
	Mrs. V. C. Mirunalini

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

31 Related party transactions

Particulars	Subsidiaries		Associate / Joint Venture / Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel		Relatives of key management personnel		Total	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Sale of goods	2,275,260	170,942,318	-	-	305,277	-	-	-	2,580,537	170,942,318
-- Amex Alloys Private Limited	176,400	170,928,428	-	-	-	-	-	-	176,400	170,928,428
-- Amex Irons Private Limited	88,200	-	-	-	-	-	-	-	88,200	-
-- BS Powertech Solutions Private Limited	1,164,065	-	-	-	-	-	-	-	1,164,065	-
-- HHV Solar Technologies Limited	420,000	13,890	-	-	-	-	-	-	420,000	13,890
-- Swelect Green Energy Solutions Private Limited	426,595	-	-	-	-	-	-	-	426,595	-
-- Mr. R Chellappan	-	-	-	-	305,277	-	-	-	305,277	-
Sale of Fixed Assets	7,371,716	-	-	-	-	-	-	-	7,371,716	-
-- BS Powertech Solutions Private Limited	7,371,716	-	-	-	-	-	-	-	7,371,716	-
Sale of Services	-	6,318,347	-	-	-	-	-	-	-	6,318,347
-- Amex Alloys Private Limited	-	6,318,347	-	-	-	-	-	-	-	6,318,347
Purchases of traded goods	16,992,125	24,275,956	-	-	-	-	-	-	16,992,125	24,275,956
-- Amex Irons Private Limited	-	10,736	-	-	-	-	-	-	-	10,736
-- Swelect Energy Systems Pte Limited, Singapore	3,194	-	-	-	-	-	-	-	3,194	-
-- HHV Solar Technologies Limited	16,988,931	24,265,220	-	-	-	-	-	-	16,988,931	24,265,220
Sale of Power	27,985,160	474,946	-	-	-	-	-	-	27,985,160	474,946
-- Amex Irons Private Limited	2,730,0481	-	-	-	-	-	-	-	27,300,481	-
-- HHV Solar Technologies Limited	684,679	474,946	-	-	-	-	-	-	684,679	474,946
Reimbursement of expenses	5,013,060	-	-	-	-	-	-	-	5,013,060	-
-- Amex Irons Private Limited	5,013,060	-	-	-	-	-	-	-	5,013,060	-
Management services	-	-	5,195,629	-	-	-	-	-	5,195,629	-
-- Swelect Infrastructure Services Private Limited	-	-	1,325,079	-	-	-	-	-	1,325,079	-
-- Swelect Sunpac Power Protection Private Limited	-	-	3,870,550	-	-	-	-	-	3,870,550	-
Rental Income	12,400,810	11,161,871	-	-	-	-	-	-	12,400,810	11,161,871
-- Amex Alloys Private Limited	7,817,708	7,661,384	-	-	-	-	-	-	7,817,708	7,661,384
-- Amex Irons Private Limited	3,830,736	3,136,896	-	-	-	-	-	-	3,830,736	3,136,896
-- BS Powertech Solutions Private Limited	15,000	30,000	-	-	-	-	-	-	15,000	30,000
-- HHV Solar Technologies Limited	737,366	333,591	-	-	-	-	-	-	737,366	333,591

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

31 Related party transactions

Particulars	Subsidiaries		Associate / Joint Venture / Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel		Relatives of key management personnel		Total	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Interest income	40,955,756	29,780,538	-	-	-	-	-	-	40,955,756	29,780,538
-- Amex Alloys Private Limited	6,837,000	5,852,823	-	-	-	-	-	-	6,837,000	5,852,823
-- Amex Irons Private Limited	11,072,519	7,042,032	-	-	-	-	-	-	11,072,519	7,042,032
-- BS Powertech Solutions Private Limited	6,925,296	10,616,711	-	-	-	-	-	-	6,925,296	10,616,711
-- HHV Solar Technologies Limited	11,722,745	2,230,068	-	-	-	-	-	-	11,722,745	2,230,068
-- Swelect Solar Energy Private Limited	3,744,452	3,872,594	-	-	-	-	-	-	3,744,452	3,872,594
-- Swelect Green Energy Solutions Private Limited	653,744	166,310	-	-	-	-	-	-	653,744	166,310
Rent expense	510,001	68,396	-	-	192,935	182,250	-	-	702,936	250,646
-- Mr. R Chellappan	-	-	-	-	192,935	182,250	-	-	192,935	182,250
-- Swelect Green Energy Solutions Private Limited	510,001	68,396	-	-	-	-	-	-	510,001	68,396
Investment written off	-	-	1,475,000	-	-	-	-	-	1,475,000	-
-- Swelect Infrastructure Services Private Limited	-	-	250,000	-	-	-	-	-	250,000	-
-- Swelect Sunpac Power Protection Private Limited	-	-	1,225,000	-	-	-	-	-	1,225,000	-
Facility management fees	5,015,748	-	-	-	-	-	-	-	5,015,748	-
-- Swelect Green Energy Solutions Private Limited	5,015,748	-	-	-	-	-	-	-	5,015,748	-
Remuneration	-	-	-	-	4,309,990	5,704,256	641,321	1,283,697	4,951,311	6,987,953
-- Mr. R Chellappan	-	-	-	-	3,538,846	5,003,903	-	-	3,538,846	5,003,903
-- Mr. V.C.Raghunath	-	-	-	-	771,144	700,353	-	700,353	771,144	1,400,706
-- Mrs. V.C.Mirunalini	-	-	-	-	-	-	641,321	583,344	641,321	583,344

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

31 Related party transactions

Particulars	Subsidiaries		Associate / Joint Venture / Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel		Relatives of key management personnel		Total	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Dividend paid										
-- Mr. R Chellappan	-	-	-	-	43,072,686	38,032,880	1,103,346	3,747,064	44,176,032	41,779,944
-- Others	-	-	-	-	42,723,486	37,976,432	-	-	42,723,486	37,976,432
Management fees					349,200	56,448	1,103,346	3,747,064	1,452,546	3,803,512
-- BS Powertech Solutions Private Limited	-	-	-	-	-	-	-	-	-	2,400,000
Dividend received					-	-	-	-	-	2,400,000
-- Amex Alloys Private Limited- Preference shares	3,750,000	3,750,000	-	-	-	-	-	-	3,750,000	3,750,000
Non-current investments made					-	-	-	-	-	3,750,000
-- Swelect Solar Energy Private Limited - Equity shares	91,500,700	82,946,600	-	-	-	-	-	-	91,500,700	82,946,600
-- Amex Alloys Private Limited - Equity shares	-	14,000,000	-	-	-	-	-	-	-	14,000,000
-- Amex Irons Private Limited - Equity shares	-	11,946,600	-	-	-	-	-	-	-	11,946,600
-- HHV Solar Technologies Limited - Equity shares	10,000,000	-	-	-	-	-	-	-	10,000,000	-
-- HHV Solar Technologies Limited - Preference shares	48,840,570	-	-	-	-	-	-	-	48,840,570	-
-- Swelect Green Energy Solutions Private Limited	26,160,130	50,000,000	-	-	-	-	-	-	26,160,130	50,000,000
Non-current investments - Redemption					-	-	-	-	-	700
-- Amex Alloys Private Limited - Preference shares	6,500,000	7,000,000	-	-	-	-	-	-	6,500,000	7,000,000
-- HHV Solar Technologies Limited - Equity shares	12,500,000	12,500,000	-	-	-	-	-	-	12,500,000	12,500,000
Advances made					-	-	-	-	-	700
-- Swelect Solar Energy Private Limited	452,835,043	214,942,740	-	-	-	-	-	-	452,835,043	214,942,740
-- Amex Irons Private Limited	2,719,717	11,200,275	-	-	-	-	-	-	2,719,717	11,200,275
-- Amex Alloys Private Limited	93,636,107	20,185,282	-	-	-	-	-	-	93,636,107	20,185,282
-- Swelect Green Energy Solutions Private Limited	35,781,323	36,934,433	-	-	-	-	-	-	35,781,323	36,934,433
-- HHV Solar Technologies Limited	21,546,098	22,603,640	-	-	-	-	-	-	21,546,098	22,603,640
-- HHV Solar Technologies Limited (Capital Advance)	275,226,588	111,666,951	-	-	-	-	-	-	275,226,588	111,666,951
-- BS Powertech Solutions Private Limited	14,000,000	-	-	-	-	-	-	-	14,000,000	-
	9,925,210	12,352,159	-	-	-	-	-	-	9,925,210	12,352,159

Notes to financial statements for the year ended 31 March 2015
(All amounts are in Indian Rupees, unless otherwise stated)

31 Related party transactions

Particulars	Subsidiaries		Associate / Joint Venture / Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel		Relatives of key management personnel		Total	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Repayment of advances	237,545,949	156,216,571	-	-	-	-	-	-	237,545,949	156,216,571
-- Amex Alloys Private Limited	30,476,964	49,968,516	-	-	-	-	-	-	30,476,964	49,968,516
-- Amex Irons Private Limited	33,909,000	20,210,727	-	-	-	-	-	-	33,909,000	20,210,727
-- Amex Irons Private Limited - Loan converted to equity shares	10,000,000	-	-	-	-	-	-	-	10,000,000	-
-- Swelect Green Energy Solutions Private Limited	16,532,972	16,559,449	-	-	-	-	-	-	16,532,972	16,559,449
-- HHV Solar Technologies Limited	140,370,204	4,030,453	-	-	-	-	-	-	140,370,204	4,030,453
-- BS Powertech Solutions Private Limited	20,042	1,369,999	-	-	-	-	-	-	20,042	1,369,999
-- Swelect Solar Energy Private Limited	6,236,767	14,077,427	-	-	-	-	-	-	6,236,767	14,077,427
-- HHV Solar Technologies Limited - Loan converted to preference shares	-	50,000,000	-	-	-	-	-	-	-	50,000,000
Balance outstanding at year end:										
Trade payables	-	163,418	-	-	-	-	-	-	-	163,418
-- HHV Solar Technologies Limited	-	163,418	-	-	-	-	-	-	-	163,418
Amounts receivable from related parties	707,243,829	534,483,042	-	-	-	-	-	-	707,243,829	534,483,042
Trade receivables	2,773,305	-	-	-	-	-	-	-	2,773,305	-
-- Amex Irons Private Limited	104,568,372	176,314,109	-	-	-	-	-	-	104,568,372	176,314,109
-- Amex Alloys Private Limited	1,185,138	1,188,332	-	-	-	-	-	-	1,185,138	1,188,332
-- Swelect Energy Systems Pte. Limited., Singapore	17,175,781	54,309,371	-	-	-	-	-	-	17,175,781	54,309,371
-- BS Powertech Solutions Private Limited	38,905,011	38,677,609	-	-	-	-	-	-	38,905,011	38,677,609
Advances	153,334,583	78,512,689	-	-	-	-	-	-	153,334,583	78,512,689
-- Swelect Solar Energy Private Limited	203,290,130	57,463,688	-	-	-	-	-	-	203,290,130	57,463,688
-- Amex Irons Private Limited	14,000,000	-	-	-	-	-	-	-	14,000,000	-
-- HHV Solar Technologies Limited - Capital Advance	63,912,363	47,081,899	-	-	-	-	-	-	63,912,363	47,081,899
-- BS Powertech Solutions Private Limited	96,221,775	74,724,844	-	-	-	-	-	-	96,221,775	74,724,844
-- Amex Alloys Private Limited	11,877,371	6,210,501	-	-	-	-	-	-	11,877,371	6,210,501
-- Swelect Green Energy Solutions Private Limited	-	-	-	-	-	-	-	-	-	-

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

32 Directors' remuneration	31 March 2015	31 March 2014
Salaries	3,687,394	2,415,000
Commission	622,596	2,588,903
	4,309,990	5,003,903
33 Contingent liabilities		
Claims against the Company not acknowledged as debts		
a) Cenvat related matters	595,546	2,630,000
b) Sales tax related matters	51,495,575	17,382,361
c) Income tax related matters	14,575,600	14,575,600
	66,666,721	34,587,961

34 Derivative instruments and foreign currency exposures

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	31 March 2015			31 March 2014	
	Foreign Currency	Amount in Foreign Currency	Amount in Indian Rupees	Amount in Foreign Currency	Amount in Indian Rupees
Trade receivables	USD	13,225	672,740	23,418	1,361,264
	SGD	15,000	512,398	-	-
Payables	USD	1,070	66,972	27,534	1,600,628
	EUR	83,672	5,648,737	592,673	48,831,473

35 Value of imports calculated on CIF basis

	31 March 2015	31 March 2014
Raw materials	13,316,644	28,312,384
Traded goods	88,268,194	141,737,640
Capital goods	14,794,510	548,354,602
	116,379,348	718,404,626

36 Expenditure in foreign currency (on accrual basis)

Travelling	1,123,284	1,024,559
	1,123,284	1,024,559

37 Imported and indigenous raw materials

	% of total consumption		Value	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Imported	14%	12%	11,114,662	20,045,331
Indigenous	86%	88%	70,985,721	145,585,723
	100%	100%	82,100,383	165,631,054

SWELECT ENERGY SYSTEMS LIMITED

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

38 Net dividend remitted in foreign exchange

	<u>31 March 2015</u>	<u>31 March 2014</u>
Final equity dividend		
Period to which it relates	2013-2014	2012-2013
Number of non-resident shareholders	7	7
Number of equity shares of Rs 10/- each held on which dividend was due	527,000	527,000
Amount remitted	4,743,000	4,216,000

39 Capital and other commitments

- a) The estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.413,059,895 (31 March 2014: Rs.48,662,043).
- b) Commitments relating to lease arrangements, please refer to note 28.

40 Exceptional Item

Exceptional item represents cost of land written off amounting to Rs.20,311,785 (net of recovery) on account of defective title and for which the company is pursuing a legal claim against certain individuals.

- 41 The Company acquired 51% of the equity share capital of HHV Solar Technologies Limited on August 01, 2014, hence HHV Solar Technologies Limited has become 100% subsidiary of the Company, with effect from August 01, 2014.

- 42 Previous year figures have been regrouped / reclassified, wherever necessary, to conform to the current year's classification.

As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm's registration number: 101049W
Chartered Accountants

per Subramanian Suresh
Partner
ICAI Membership no.: 083673

Place: Chennai
Date: 28 May 2015

For and on behalf of the board of directors

R. Chellappan
Managing Director
J. Bhuvaneswari
Company Secretary

Place: Chennai
Date: 28 May 2015

V. C. Raghunath
Director
P. Jagan
Chief Financial Officer
Place: Chennai
Date: 28 May 2015

INDEPENDENT AUDITOR'S REPORT

To

The Members of Swelect Energy Systems Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Swelect Energy Systems Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and a jointly controlled company, comprising of the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and jointly controlled entity as at 31st March 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate company and jointly controlled company incorporated in India to whom this order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon 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 financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and jointly controlled company incorporated in India, none of the directors of the Group companies, its associate company and jointly controlled company incorporated in India is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate and jointly controlled company – Refer Note 34 to the consolidated financial statements;
 - ii. The Group, its associate and jointly controlled company did not have any material foreseeable losses on long-term contracts including derivative contracts
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate company and jointly controlled company incorporated in India.

Other Matters

- (a) The accompanying consolidated financial statements include total assets of Rs. 11,267.19 lakhs as at 31st March 2015, total revenues of Rs. 2,821.92 lakhs and net cash flows amounting to Rs. 181.55 lakhs for the year ended on that date in respect of four subsidiaries and a jointly controlled entity which have been audited by other auditors, whose financial statements, other information and auditor's reports have been furnished to us by the Management. The consolidated financial statements also include the Company's share of net loss of Rs. 11.79 Lakhs for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled company and the associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled company and associate, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory

Requirements above, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

per Subramanian Suresh

Partner

Membership Number: 083673

Place of Signature : Chennai

Date : 28 May 2015

Annexure referred to in our report of even date

The Group referred herein comprises Swelect Energy Systems Limited ('Holding Company'), and its subsidiaries, a jointly controlled company and an associate incorporated in India and to whom the provisions of the Order apply (referred to as "the Covered entities" in this report)

- (i) (a) According to the information and explanations given to us, the Holding Company and the Covered entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management of the Holding Company and covered entities during in accordance with a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management of the Holding Company and the Covered entities have conducted physical verification of inventory during the year.
- (b) According to the information and explanations given to us, the procedures of physical verification of inventory followed by the management of the Holding Company and the covered entities are reasonable and adequate in relation to the size of the Holding Company and the Covered entities, and the nature of their business.
- (c) The Holding Company and other Covered entities are maintaining proper records of inventory and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Holding Company and one of the covered entity has granted loans to companies/other parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of loans granted, repayment of principal is in accordance with stipulations, if any and the payment of interest has been regular.

The other Covered entities of the Group have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to such Covered entities of the Group and hence not commented upon.
- (b) There is no overdue amount of loans granted by the Holding Company to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us and as reported by the other auditor who audited the financial statements of the certain Covered entities, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit and as reported by the other auditor who audited the financial statements of the Covered entities, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and the Covered entities in respect of these areas.
- (v) The Holding Company and the Covered entity have not accepted any deposits from the public.
- (vi) To the best of our knowledge and as reported by the other auditor who audited the financial statements of Covered entities, the Central Government have not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/ services of the Holding Company and the Covered entities.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay, in a few cases in respect of certain Covered entities.
- (b) No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable for the Holding Company and the covered entities.
- (c) According to the records of the Holding Company and the Covered entities as reported by other auditors who audited the financial statements and financial information of certain Covered entities of the Group, the dues outstanding of income-tax, wealth-tax, service tax, customs duty, value added tax and cess on account of any dispute, are as follows:

S/N	Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
1	Kerala Sales Tax Act, 1963 ¹	Penalty	666,665	2000-2001	Deputy Commissioner, Commercial taxes
2	Delhi Vat Act, 2004	Disputed turnover	1,200,684	2006-2007	Commissioner, Appeals
3	TN VAT Act	Differential tax payment and penalty	49,294,891	2012-2013	Madras High Court
6	Finance Act 1994 (Service tax) [#]	Differential tax and Interest	595,546	2011-2012	Commissioner of service tax
7	Direct Taxes [@]	Disallowances of items	500,000	2009-2010	Commissioner of Income tax Appeals
8	The Central Excise Act, 1944 ^{1**}	Excise Duty	45,937,547	2009-2013	The Excise Appellate Tribunal
9	The Central Excise Act, 1944 ¹	Excise Duty	47,617,162	2013-2015	Commissioner of Central Excise

Excludes interest portion on the disputed amount

** Excludes amount paid under protest Rs.1,467,044

Excludes amount paid under protest Rs. 303,210

@ Excludes amount paid under protest Rs. 14,075,600

* Excludes amount paid under protest Rs. 333,335

- (d) According to the information and explanations given to us and as reported by the other auditor who audited the financial statements of certain covered entities, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Holding Company has no accumulated losses at the end of the financial year and it has not incurred cash loss in the current and immediately preceding financial year. As reported by the other auditors who audited the financial statements of the Covered entities, the accumulated losses at the end of the financial year of certain entities was more than fifty percent of the net worth and certain entities has incurred cash losses in the current and /or immediately preceding financial year.
- (ix) The holding Company and the Covered entities have not defaulted in their repayment of dues to a financial institution, bank or debenture holders.
- (x) The Holding Company has given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Holding Company. The Covered entities have not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management and the report other auditors who audited the financial statements of Covered entities, term loans were applied for the purpose for which the loans were obtained by the Holding Company and the Covered entities of the Group.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud on or by the Holding Company and the Covered entities have been noticed or reported during the year, other than an amount of Rs.20,311,785, being cost of land, was written off in the statement of profit and loss of the Holding Company on account of defective title and for which the Holding Company is pursuing a legal claim against certain individuals.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

per Subramanian Suresh

Partner

Membership Number: 083673

Place of Signature : Chennai

Date : 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Consolidated Balance sheet as at 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	31 March 2015	31 March 2014
Equity and liabilities			
Shareholders' funds			
Share capital	3	101,058,400	101,058,400
Reserves and surplus	4	6,678,923,063	6,683,103,655
		6,779,981,463	6,784,162,055
Minority interest	4.1	-	(50,000,000)
Preference shares in subsidiary held outside the group		40,000,000	26,160,130
Non-current liabilities			
Long-term borrowings	5a	947,383,703	753,021,972
Other long-term liabilities	5b	6,143,758	19,380,856
Deferred tax liabilities (net)	11	176,137,842	150,704,017
Long-term provisions	7	22,700,564	14,040,102
		1,152,365,867	937,146,947
Current liabilities			
Short-term borrowings	6	280,221,439	258,477,353
Trade payables	8	426,191,539	430,639,265
Other current liabilities	8	293,890,740	261,066,720
Short-term provisions	7	37,354,334	138,589,833
		1,037,658,052	1,088,773,171
Total		9,010,005,382	8,786,242,303
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	2,452,928,922	2,304,584,882
Intangible assets	10	3,847,274	17,488,909
Capital work-in-progress		165,935,665	117,343,544
Goodwill on consolidation	36	442,880,333	344,039,763
Non-current investments	12	53,000,000	56,075,802
Long-term loans and advances	14	312,521,853	212,588,737
Other assets	15.2	11,356,819	563,977,534
		3,442,470,866	3,616,099,171
Current assets			
Current investments	16	2,517,425,875	2,859,720,313
Inventories	13	344,184,155	368,695,273
Trade receivables	15.1	552,409,727	432,707,135
Cash and bank balances	17	2,011,014,045	1,318,085,119
Short-term loans and advances	14	108,712,208	152,579,207
Other assets	15.2	33,788,506	38,356,085
		5,567,534,516	5,170,143,132
Total		9,010,005,382	8,786,242,303

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm's registration number: 101049W

Chartered Accountants

per Subramanian Suresh

Partner

ICAI Membership no.: 083673

For and on behalf of the board of directors

R. Chellappan
Managing Director

J. Bhuvanawari
Company Secretary

Place: Chennai
Date: 28 May 2015

V. C. Raghunath
Director

P. Jagan
Chief Financial Officer

Place: Chennai
Date: 28 May 2015

Place: Chennai
Date: 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Consolidated statement of profit and loss for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	31 March 2015	31 March 2014
Income			
Revenue from operations (gross)	18	2,275,604,369	1,830,979,325
Less: Excise duty		57,145,128	66,510,233
Revenue from operations (net)		2,218,459,241	1,764,469,092
Other income	19	267,820,931	268,511,498
Total revenue		2,486,280,172	2,032,980,590
Expenses			
Cost of raw material and components consumed	20	1,095,368,484	850,705,240
Purchase of traded goods		322,802,155	307,846,166
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	21	39,570,944	(51,733,693)
Employee benefits expense	22	182,426,394	154,576,402
Other expenses	23	504,083,408	441,353,265
Depreciation and amortisation expense	24	169,308,095	99,998,082
Finance costs	25	129,548,317	45,253,119
Total expenses		2,443,107,797	1,847,998,581
Share in loss of associate company		(1,179,233)	(1,376)
Net profit before tax, minority interest and exceptional items		41,993,142	184,980,633
Exceptional items (refer note 38)		(20,311,785)	-
Net profit before tax and minority interest		21,681,357	184,980,633
Tax expense			
Current tax		6,204,694	57,092,562
Less: MAT credit entitlement		(6,204,694)	(57,092,562)
Deferred tax		25,433,825	19,894,171
Total tax expense		25,433,825	19,894,171
Net (loss) / profit after tax before minority interest		(3,752,468)	165,086,462
Minority interest (refer note 4.1)		-	(3,288,963)
Net Loss / profit for the year		(3,752,468)	161,797,499
Earnings per equity share (nominal value of share Rs.10/- (31 March 2014: Rs.10/-))	32		
Basic and diluted earnings per share		(0.41)	15.95
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm's registration number: 101049W

Chartered Accountants

per Subramanian Suresh

Partner

ICAI Membership no.: 083673

For and on behalf of the board of directors

R. Chellappan
Managing Director

J. Bhuvanawari
Company Secretary

Place: Chennai
Date: 28 May 2015

V. C. Raghunath
Director

P. Jagan
Chief Financial Officer

Place: Chennai
Date: 28 May 2015

Place: Chennai
Date: 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Consolidated cash flow statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
A. Cash flow from operating activities:		
Profit before taxation excluding minority interest	21,681,357	184,980,633
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation / amortisation	169,308,095	99,998,082
Share of loss in associate company	1,179,233	1,376
Cost of land written off (Exceptional Item)	20,311,785	-
Loss on sale of tangible assets	2,506,988	109,575
Provision for bad/doubtful receivables including advances	25,853,100	18,161,794
Unrealised foreign exchange (gain) / loss, net	(10,486,686)	14,173,999
Liabilities no longer required written back	(40,724,563)	(4,574,413)
Net gain from sale of current investment	(57,767,367)	(100,062,714)
Dividend income - mutual fund	(22,551,454)	(37,462,711)
Interest expense	120,529,877	34,176,893
Interest income	(121,980,690)	(120,838,532)
Operating profit before working capital changes	107,859,675	88,663,982
Adjustments for changes in working capital:		
(Increase) in trade receivables	(160,944,281)	(116,010,885)
Decrease / (Increase) in loans and advances	1,610,127	(79,336,663)
Decrease / (Increase) in inventories	24,511,118	(77,180,556)
Increase in trade payables, current and long term liabilities	58,382,514	32,524,429
(Decrease) in provisions	(20,260,841)	(1,133,651)
Cash generated from / (used in) operations	11,158,312	(152,473,344)
Taxes paid, net	(58,809,712)	(287,328,730)
Net cash flow used in operating activities (A)	(47,651,400)	(439,802,074)
B. Cash flow from investing activities:		
Capital expenditure (refer note 1 below)	(483,120,650)	(896,642,581)
Redemption / (Investment) in current investments	400,061,804	(108,681,469)
Investment in subsidiaries (net)	(95,764,768)	(16,761,826)
Proceeds from sale of tangible assets	37,036,574	1,536,484
(Investment) / Redemption in bank deposits (having original maturity of more than 3 months)	(41,912,031)	778,288,747
Interest received	127,115,003	181,578,946
Dividend received from mutual funds	22,551,454	179,418,085
Net cash flow (used in) / generated from investing activities (B)	(34,032,614)	118,736,386

SWELECT ENERGY SYSTEMS LIMITED

Consolidated cash flow statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
C. Cash flow from financing activities:		
Proceeds / (Repayment) of short-term borrowings	21,744,086	(141,728,796)
Proceeds from long-term borrowings	354,786,259	705,721,972
Interest paid	(123,255,245)	(27,632,976)
Dividend paid	(90,952,560)	(80,846,720)
Dividend tax paid	(15,457,388)	(13,739,900)
Net cash flow generated from financing activities (C)	146,865,152	441,773,580
Exchange differences on translation of foreign currency cash and cash equivalents (D)	34,060,417	73,230,193
Net increase in cash and cash equivalents (A + B + C + D)	99,241,555	193,938,085
Cash and cash equivalents at the beginning of the year	578,491,229	384,553,144
Closing cash and cash equivalents (Refer note 2 below)	677,732,784	578,491,229

a) The reconciliation to the cash and bank balances as given in note 17 is as follows:

	31 March 2015	31 March 2014
Cash and bank balances including non-current bank balance	2,022,370,864	1,882,062,653
Less: Term deposit placed with the banks	(1,330,039,051)	(735,506,305)
Less: Non-current bank balance (refer note 15.2)	(11,356,819)	(563,977,534)
Less: unpaid dividend accounts*	(3,242,210)	(4,087,585)
Cash and cash equivalents at the end of the year	677,732,784	578,491,229

*These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

b) Components of cash and cash equivalents

Balances with banks:		
On current accounts	195,633,634	105,831,469
On deposit accounts	481,691,348	471,597,662
Cash on hand	407,802	1,062,098

Notes:

- Capital expenditure include payments for items in capital work-in-progress and purchase of fixed assets. Adjustments for increase / decrease in current liabilities relating to acquisition of fixed assets have been made to the extent identified.
- Fixed deposits with banks with maturity period of more than three months amounting to Rs.1,341,395,870 (Previous year Rs. 1,299,483,839) are not included under cash and cash equivalents. Fixed deposits include deposits amounting to Rs. 486,529,343 (Previous year Rs. 480,055,421) retained in Escrow account pursuant to the transfer of uninterruptible power supply systems business.
- The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm's registration number: 101049W
Chartered Accountants

per Subramanian Suresh
Partner
ICAI Membership no.: 083673

For and on behalf of the board of directors

R. Chellappan
Managing Director

J. Bhuvanewari
Company Secretary

Place: Chennai
Date: 28 May 2015

V. C. Raghunath
Director

P. Jagan
Chief Financial Officer

Place: Chennai
Date: 28 May 2015

Place: Chennai
Date: 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

Company overview

SWELECT ENERGY SYSTEMS LIMITED ('the Company') was incorporated as a public limited company on September 12, 1994 and was formerly known as NUMERIC POWER SYSTEMS LIMITED. The Company along with its subsidiaries, joint venture and associate, together referred to as ('the Group') is engaged in the manufacturing, sale and trading of solar power projects, solar and wind power generation, contract manufacturing services, installation and maintenance services, sale of Solar Photovoltaic inverters, energy efficient lighting system, manufacture of iron and aluminum alloy foundry castings and manufacture and sale of Solar Photovoltaic modules.

1. Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements are prepared in accordance with Indian GAAP under the historical cost convention and on an accrual basis. GAAP comprises mandatory accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 and relevant requirements / guidelines issued by SEBI. The consolidated financial statements ('CFS') have been prepared in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2014, (as amended). The accounting policies have been consistently applied by the Group and are consistent with those used in the previous years.

(i) The particulars of subsidiary companies, which are included in consolidation and the Company's holding therein, are as under:

Name	Country of incorporation	Percentage holding as at 31 March 2015	Percentage holding as at 31 March 2014
Swelect Energy Systems Pte. Ltd.	Singapore	100	100
Swelect Solar Energy Private Limited	India	100	100
Subsidiary of Swelect Solar Energy Private Limited - BS Powertech Solutions Private Limited	India	100	100
Amex Alloys Private Limited	India	100	100
Amex Irons Private Limited	India	100	100
HHV Solar Technologies Limited (Formerly known as HHV Solar Technologies Private Limited)*	India	100	49
Swelect Green Energy Solutions Private Limited	India	100	100

* HHV Solar Technologies Private Limited was converted into HHV Solar Technologies Limited with effect from 10 February 2014.

a) Acquisition of remaining 51% in HHV Solar Technologies Limited

The company acquired 51% of the equity share capital of HHV Solar Technologies Limited (HHVS) on August 01, 2014, resulting in HHVS becoming 100% subsidiary of the Company.

(ii) The particulars of joint venture company, which is included in consolidation and the Company's holding therein, are as under:

Name	Country of incorporation	Percentage Holding as at 31 March 2015	Percentage Holding as at 31 March 2014
Swelect Infrastructure Services Private Limited	India	Nil	50

(iii) The particulars of associate company, which is included in consolidation and the Company's holding therein, are as under:

Name	Country of incorporation	Percentage Holding as at 31 March 2015	Percentage Holding as at 31 March 2014
Swelect Sunpac Power Protection Private Limited	India	Nil	49

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

- (iv) The financial statements of the subsidiaries, joint venture and associate used for consolidation are drawn for the same reporting period as that of the Company i.e. year ended 31 March 2015.
- (v) The financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses and after eliminating intra-group balances, intra-group transactions and unrealised profits/losses.
- (vi) Any excess/shortage of the cost to the Company of its investment in the subsidiaries over its proportionate share in the equity of such subsidiaries as at the date of the investment is recognised as goodwill/capital reserve in the CFS.
- (vii) The Company has prepared the accompanying CFS by including the Company's proportionate interest in the joint venture's assets, liabilities, income, expenses etc on a line by line basis. Intra-group balances, intra-group transactions and unrealised profits / losses have been eliminated to the extent of the Company's proportionate share.
- (viii) The investment in the associate company has been accounted under the equity method as per Accounting Standard 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements'. The Company's share in profits / losses of an associate company is accounted for to the extent of the Company's percentage holding in its share capital.
- (ix) The CFS has been prepared using uniform accounting policies, except as stated otherwise, for like transactions and is presented to the extent possible, in the same manner as the Company's separate financial statements.

2. Summary of significant accounting policies

(a) Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of income and expenses during the year.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future years.

(b) Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at cost, less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

In case of revaluation of fixed assets, any revaluation surplus is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the consolidated statement of profit and loss, in which case the increase is recognised in the consolidated statement of profit and loss. A revaluation deficit is recognised in the consolidated statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets comprise of goodwill and computer software.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the consolidated statement of profit and loss for the period during which such expenses are incurred

Gains and losses arising from derecognition of tangible and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of the profit and loss when the asset is derecognised

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

(c) Depreciation and amortisation

Depreciation is provided using the straight line method as per the useful lives of the assets estimated by the management as follows:

Building	30 years
Plant and machinery (other than Windmills & Solar Plant)	15 years
Windmills (included under Plant and Machinery)	22 years
Solar Plant	25 years
Office equipment	5 years
Electrical equipment	10 years
Computers	3 years
Furniture and fittings	10 years
Vehicles	8 years / 10 years

(ii) Useful lives / depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. From the current year Schedule VI has been replaced by Schedule II to the Companies Act, 2013. Schedule II to the Companies Act, 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows Companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has reestimated useful lives and residual values of all its fixed assets. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from the lives prescribed under Schedule II. Hence, this change in useful life of fixed assets has increased depreciation on fixed assets to the extent of Rs.28,536,729, out of which Rs.3,111,057 has been debited to the opening reserves and the profit for the current year has been reduced to the extent of Rs. 25,425,672

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

The useful lives of certain Solar Plant and Machinery to 25 years, respectively. These lives are higher than those indicated in schedule II.

Leasehold improvements are amortised using the straight-line method over their estimated useful lives (5 years) or the remainder of primary lease period, whichever is lower.

Intangible assets are amortised using the straight-line method over a period of five years.

Where a depreciable asset is revalued, the additional depreciation relatable to revaluation is adjusted against "Revaluation reserve" by transfer to the consolidated statement of profit and loss from revaluation reserve.

(d) Impairment of tangible and intangible fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(e) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statement at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the consolidated statement of profit and loss.

(f) Inventories

Inventories are valued as follows:

Raw materials, stores and spares	Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work-in-progress, finished goods	Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.
Traded goods	Lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sales of goods, its accessories and other traded/manufactured goods are recognised when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Revenues under composite contracts comprising supply, installation and commissioning are recognised on dispatch as such services are generally considered insignificant to the contract. The Group collects sales taxes and valued added taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Group. Hence they are excluded from revenue.

Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

Sale of power

Income from sale of power

Revenue from sale of power from renewable energy sources is recognised in accordance with the price agreed under the provisions of the power purchase agreement entered into with Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) and other customers. Such revenue is recognised on the basis of actual units generated and transmitted.

Income from Sale of Renewable Energy Certificates

The revenue from Renewable Energy Certificates (REC) is recognised on delivery thereof or sale of right therein, as the case may be, in accordance with the terms of contract with the respective buyer.

Income from service

Revenue from maintenance contracts and installation contracts are recognised pro-rata over the period of the contract as and when and services are rendered. The Group collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Service tax is excluded from the revenue.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the consolidated statement of profit and loss.

Dividend

Revenue is recognised when the Company's right as a shareholder/unit holder to receive payment is established by the reporting date.

(i) Foreign currency transactions and translations

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Translation of Non-integral foreign operation

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the consolidated statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

(h) Retirement and other employee benefits

- (i) Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent of the pre payment.
- (ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains / losses are immediately taken to consolidated statement of profit and loss and, are not deferred.
- (iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- (iv) The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

(i) Income taxes

Provision for income tax is made for current and deferred taxes. Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets, other than those arising from undertakings enjoying tax holiday benefits, are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against the future taxable profits.

At each balance sheet date the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Provision for income-tax has been determined on the basis of the tax laws of the respective countries in which the companies have been incorporated.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

(k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

(l) Leases

Leases where, the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the consolidated statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the consolidated statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of profit and loss.

(m) Provision

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(n) Provision for warranty:

Provisions for warranty-related costs are recognised when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually. A provision is recognised for expected warranty claims on product sold, based on past experience of the levels of repairs and returns. Assumptions used to calculate the provision for warranties are based on the current sales levels and current information available about returns based on the average warranty period for the product portfolio of the Group.

(o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

(p) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, cheques in hand and short-term investments with an original maturity of three months or less.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(r) Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments and items associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
3 Share capital		
Authorised shares		
20,000,000 (previous year - 20,000,000) equity shares of Rs.10/- each	200,000,000	200,000,000
Issued, subscribed and fully paid-up shares		
10,105,840 (previous year - 10,105,840) equity shares of Rs. 10/- each	101,058,400	101,058,400
Total issued, subscribed and fully paid-up share capital	101,058,400	101,058,400

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

	31 March 2015		31 March 2014	
	Number of shares	Rupees	Number of shares	Rupees
At the beginning of the year	10,105,840	101,058,400	10,105,840	101,058,400
Movement during the year	-	-	-	-
Outstanding at the end of the year	10,105,840	101,058,400	10,105,840	101,058,400

b. Terms / rights attached to equity shares

The Group has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended 31 March 2015, the amount of per share dividend recognised as distributions to equity shareholders for proposed final dividend was Rs. 2.50/- (31 March 2014: Rs. 9/-).

In the event of the liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholders.

c. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	31 March 2015	31 March 2014
	Number of shares	Number of shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium (during the year ended March 2010)	-	5,052,920
Equity shares allotted as fully paid up pursuant to the merger of UPS division of Swelect Electronics Private Limited for consideration other than cash (during the year ended March 2010).	-	52,920

d. Details of shareholders holding more than 5% shares in the Company

	31 March 2015		31 March 2014	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs.10/- each fully paid				
R. Chellappan, Managing Director	4,747,054	46.97%	4,747,054	46.97%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2015	31 March 2014
4 Reserves and surplus		
Capital reserve		
Balance as per the last financial statements	30,410,149	31,813,073
Movement during the year	-	(1,402,924)
Closing balance#	30,410,149	30,410,149
# includes capital reserve arising on consolidation amounting to Rs.15,146,269, refer note 36		
Capital redemption reserve		
Balance as per the last financial statements	12,500,000	-
Movement during the year	12,500,000	12,500,000
Closing balance	25,000,000	12,500,000
Securities premium account		
Balance as per the last financial statements	18,268,300	18,268,300
Movement during the year	-	-
Closing balance	18,268,300	18,268,300
Revaluation reserve		
Balance as per the last financial statements	41,266,459	41,794,135
Movement during the year	(528,373)	(527,676)
Closing balance	40,738,086	41,266,459
General reserve		
Balance as per the last financial statements	1,786,628,003	1,761,682,891
Add: amount transferred from surplus balance in the consolidated statement of profit and loss	1,329,362	24,945,112
Closing balance	1,787,957,365	1,786,628,003
Foreign currency translation reserve		
Balance as per the last financial statements	107,625,193	28,536,747
Add: Additions during the year	34,060,417	79,088,446
Closing balance	141,685,610	107,625,193
Surplus in the consolidated statement of profit and loss		
Balance as per last financial statements	4,686,405,551	4,669,100,425
(Loss) / Profit for the year	(3,752,468)	161,797,499
Less: Appropriations		
Impact of depreciation as per Schedule II of Companies Act, 2013	(3,111,057)	-
Proposed final equity dividend		
(amount per share: Rs.2.50/- (31 March 2014: Rs. 9/-))	(25,264,600)	(90,952,560)
Tax on proposed equity dividend	(5,143,261)	(15,457,388)
Tax on Cumulative Redeemable Preference Share dividend	(441,250)	(637,313)
Transfer to capital redemption reserve	(12,500,000)	(12,500,000)
Transferred to general reserve	(1,329,362)	(24,945,112)
Total appropriations	(47,789,530)	(144,492,373)
Net surplus in the consolidated statement of profit and loss	4,634,863,553	4,686,405,551
Total reserves and surplus	6,678,923,063	6,683,103,655

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

4.1 Minority interest

	<u>31 March 2015</u>	<u>31 March 2014</u>
Minority interest (refer note below)	-	(50,000,000)
	<u>-</u>	<u>(50,000,000)</u>

Share of losses with regards to minority interests is restricted to Rs. Nil (Previous year Rs. 50,000,000) as agreed between the shareholders. The Company acquired 51% of the equity share capital of HHV Solar Technologies Limited on August 01, 2014, hence HHV Solar Technologies Limited has become 100% subsidiary of the Company, with effect from August 01, 2014.

5a Long-term borrowings

	<u>Non-current</u>		<u>Current</u>	
	<u>31 March 2015</u>	<u>31 March 2014</u>	<u>31 March 2015</u>	<u>31 March 2014</u>
Secured borrowings				
Term loan from banks	946,129,810	752,083,000	159,625,000	-
Finance lease obligation	1,253,893	938,972	799,528	469,486
Less : amount disclosed under the head 'other current liabilities' (refer note 8)	-	-	(160,424,528)	(469,486)
Total	<u>947,383,703</u>	<u>753,021,972</u>	<u>-</u>	<u>-</u>

Term loans from Bank I amounting to Rs. 598,000,000 (Previous year : Rs. 578,500,000) are repayable in 16 installments of Rs. 29,406,250 (Previous year: Rs. 29,406,250 of 16 installments each) each per quarter starting from June 2015 onwards and ends on March 2019, 16 installments of Rs.4,343,750 (Previous year : Nil) each per quarter starting from June 2016 and ends on March 2020 and 8 installments of Rs.6,750,000 each per quarter (Previous year : 16 installments of Rs.6,750,000 each per quarter) starting from May 2015 till May 2017 and 1 installment of Rs.4,000,000 (Previous year : Nil) payable in May 2017. These loans are secured by a pledge on the investments in mutual funds of the Company .

Term loans from Bank II amounting to Rs. 437,754,810 (Previous year: Rs. 173,583,000) are for a period of three years with bullet repayment terms. These loans are secured by investments in mutual funds of the Company.

Term loan from the Bank III amounts to Rs. 50,000,000 .The loan is repayable in 8 Quarterly installments of Rs. 6,250,000 each, from the end of the moratorium period of 12 months beginning October 2015. The term loan is secured by first charge on current assets of the Company, Movable Property of the Company present and future and further secured by the charge on the fixed deposits of Swelect Energy Systems Limited.

Term loan from the Bank IV amounts to Rs. 20,000,000. The loan is repayable in 8 Quarterly installments of Rs. 2,500,000 each, from the end of the moratorium period of 12 months beginning March 2016. The term loan is secured by first charge on current assets of the Company, Movable Property of the Company present and future and further secured by the charge on the fixed deposits of Swelect Energy Systems Limited.

Finance lease obligation

Finance lease obligation is secured by hypothecation of vehicles taken on lease. The interest rate implicit in the lease is 12% p.a. The gross investment in lease, i.e., lease obligation plus interest, is payable in 60 monthly installments. Hire purchase loan aggregating to Rs. 2,053,421 (Previous year Rs. 1,408,458) represents amount borrowed from the Bank for the purpose of vehicle financing.

	<u>31 March 2015</u>	<u>31 March 2014</u>
5b Other long-term liabilities		
Rental deposits	6,143,758	19,380,856
	<u>6,143,758</u>	<u>19,380,856</u>

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

6 Short-term borrowings

Secured borrowings	31 March 2015	31 March 2014
Overdraft from bank	79,942,299	174,963,127
Packing Credit Foreign Currency (PCFC)	77,114,706	-
Working capital loan	98,995,546	80,500,679
Buyer's credit	24,168,888	3,013,547
	280,221,439	258,477,353

Overdraft from bank

The overdraft facility from the Bank is secured against the Fixed Deposits of the Company and it is repayable on demand.

Packing Credit Foreign Currency (PCFC) loan aggregating to Rs. 77,114,706 (Previous year: Rs. Nil-) are secured by first charge on the entire current assets and movable Property of the Company present and future and further secured by the charge on the Fixed deposits of Swelect Energy Systems Limited.

Working capital loans aggregating to Rs.47,686,616 (Previous year : Rs. 49,931,162) are secured by charge on the fixed deposits of Swelect Energy Systems Limited. Further working capital loans aggregating to Rs.51,308,930 (Previous year : Rs 30,659,517) are secured by pledge of fixed deposits of the Company.

Buyer's credit amounting to Rs. 24,168,888/- (Previous year : Rs. 3,013,547/-) are secured by charge on the fixed deposits of Swelect Energy Systems Limited.

7. Provisions

	Long-term		Short-term	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Provision for employee benefits				
Provision for gratuity (refer note 26)	4,021,490	1,509,436	186,823	693,778
Provision for leave benefits	2,381,409	1,769,137	3,762,399	2,333,647
Total (A)	6,402,899	3,278,573	3,949,222	3,027,425
Other provisions				
Provision for income tax	-	-	-	25,959,147
Provision for warranties	16,297,665	10,761,529	2,556,000	2,556,000
Proposed equity dividend	-	-	25,264,600	90,952,560
Provision for tax on proposed equity dividend	-	-	5,143,262	15,457,388
Provision for tax on proposed preference dividend	-	-	441,250	637,313
Total (B)	16,297,665	10,761,529	33,405,112	135,562,408
Total (A) + (B)	22,700,564	14,040,102	37,354,334	138,589,833
Provision for warranties				
At the beginning of the year			13,317,529	10,008,779
Arising during the year			5,536,136	4,964,750
Utilised during the year			-	(1,656,000)
At the end of the year			18,853,665	13,317,529

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statements for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

8 Trade payables and other current liabilities

	31 March 2015	31 March 2014
Trade payables		
(refer note below regarding dues to micro, small and medium enterprises)	426,191,539	430,639,265
Other current liabilities		
Interest accrued but not due on borrowings	3,881,458	1,000
Interest accrued and due on borrowings	-	1,155,090
Rental Deposits Received	13,194,060	-
Deferred service income	212,657	-
Unpaid dividend	3,242,211	4,087,585
Current maturities of long-term borrowings (Refer note 5a)	160,424,528	469,486
Payables for capital purchases	91,931,598	158,412,927
Retention money payables	-	4,400,000
Advance from customers	8,686,062	57,206,357
Statutory dues payables	12,318,166	35,334,275
	293,890,740	261,066,720
	720,082,279	691,705,985

Note:

There is no overdue amount payable to Micro, Small and Medium Enterprises as defined under "The Micro Small and Medium enterprises Development Act, 2006". Further, the Group has not paid any interest to any Micro, Small and Medium Enterprises during the year.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

9 Tangible assets

Particulars	Land	Buildings (Refer note 9 (a) and 9(c))	Plant and machinery (Refer note 9(b) and 9(f))	Office equipment	Computers	Furniture and fittings	Vehicles	Leas hold improvements	Total
Cost									
At 1 April 2013	171,595,644	613,167,740	840,431,484	69,720,394	8,016,912	62,533,932	25,690,940	4,169,752	1,795,326,798
Additions	5,331,566	9,200,505	858,524,690	5,714,962	1,008,573	842,715	2,673,144	212,704	883,508,859
Deletion	-	-	(30,000)	(50,962)	-	-	(671,812)	-	(752,774)
Other adjustment#	-	19,696,359	(2,000,000)	(470)	10,193	563,222	-	-	18,269,304
At 31 March 2014	176,927,210	642,064,604	1,696,926,174	75,383,924	9,035,678	63,939,869	27,692,272	4,382,456	2,696,352,187
Additions	33,690,167	54,929,633	252,524,855	12,601,321	1,698,187	419,480	2,215,803	-	358,079,446
Deletion	(23,042,996)	(2,892,807)	(14,587,154)	(27,078,941)	-	-	-	-	(67,601,898)
Other adjustment#	-	8,510,161	-	3,333	4,404	255,103	-	-	8,773,001
At 31 March 2015	187,574,381	702,611,591	1,934,863,875	60,909,637	10,738,269	64,614,452	29,908,075	4,382,456	2,995,602,736
Depreciation									
At 1 April 2013	-	73,668,319	161,544,756	20,161,298	5,094,517	29,928,912	12,701,124	2,597,597	305,696,523
Charge for the year (Refer note 9(e) and 9(f))	-	16,309,225	56,026,808	3,866,149	998,164	5,236,850	2,400,522	867,455	85,705,173
Deletions	-	-	-	(15,249)	-	-	(404,455)	-	(419,704)
Other adjustment#	-	492,864	-	(55)	626	291,878	-	-	785,313
At 31 March 2014	-	90,470,408	217,571,564	24,012,143	6,093,307	35,457,640	14,697,191	3,465,052	391,767,305
Charge for the year (Refer note 9(e) and 9(f))	-	16,747,983	112,094,842	12,210,297	2,378,057	7,767,779	3,341,295	459,831	155,000,084
Deletions	-	(354,030)	(1,055,371)	(6,337,150)	-	-	-	-	(7,746,551)
Adjustment to opening reserves (Refer note 9(e))	-	-	3,111,057	-	-	-	-	-	3,111,057
Other adjustment#	-	352,715	-	776	2,683	185,745	-	-	541,919
At 31 March 2015	-	107,217,076	331,722,092	29,886,066	8,474,047	43,411,164	18,038,486	3,924,883	542,673,814
Net Block									
At 31 March 2014	176,927,210	551,594,196	1,479,354,610	51,371,781	2,942,371	28,482,229	12,995,081	917,404	2,304,584,882
At 31 March 2015	187,574,381	595,394,514	1,603,141,793	31,023,571	2,264,222	21,203,288	11,869,588	457,573	2,452,928,922

Other adjustment represents adjustment pursuant to foreign currency translation:

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

Notes to tangible assets schedule:

	Particulars	Gross block	Depreciation charge for the year	Accumulated Depreciation	Net book value
9	a. Buildings includes those constructed on leasehold land				
	As at 31 March 2015	1,052,105	35,140	70,280	981,825
	As at 31 March 2014	1,052,105	35,140	35,140	1,016,965
	b. Plant and machinery includes assets given on operating lease (Represent plant and machinery leased for a term of 11 months to the subsidiaries of the company)				
	As at 31 March 2015	65,448,865	4,433,521	9,032,793	56,416,072
	As at 31 March 2014	46,633,726	2,051,328	4,599,272	42,034,454
	c. Buildings include assets given on operating lease				
	As at 31 March 2015	255,238,872	6,808,832	62,581,420	192,657,452
	As at 31 March 2014	255,238,872	6,808,832	55,772,588	199,466,284

- d. Depreciation charge for the year in the consolidated statement of profit and loss, includes amount recouped from revaluation reserve of Rs. 528,373 (Previous year: Rs. 527,676)
- e. Effective from 1st April, 2014, the Company has revised useful life of assets pursuant to the requirement of Schedule II of the Companies Act, 2013. Based on the transitional provision provided in Schedule II, WDV of Rs.3,111,057 as on March 31, 2014 in respect of assets whose useful life is already exhausted have been charged to retained earnings.
- f. Additions to plant and machinery includes asset amounting to Rs.160,112,495 (previous year Rs. 645,576,693) related to solar plant constructed on lease hold land taken for a period of 25 years from Swelect Green Energy Solutions Private Limited and interest on borrowing amounting to Rs.715,305 (previous year Rs. 9,926,484) has been capitalised.

10 Intangible assets

Particulars	Goodwill	Computer software	Certification Process	Total
Gross block				
At 1 April 2013	13,816,060	3,845,150	59,505,879	77,167,089
Additions	-	580,342	4,426,825	5,007,167
Disposals	-	-	-	-
At 31 March 2014	13,816,060	4,425,492	63,932,704	82,174,256
Additions	-	454,128	740,625	1,194,753
Disposals	-	-	-	-
At 31 March 2015	13,816,060	4,879,620	64,673,329	83,369,009
Amortisation				
At 1 April 2013	13,816,060	818,043	35,230,659	49,864,762
Charge for the year	-	752,545	14,068,040	14,820,585
Disposals	-	-	-	-
At 31 March 2014	13,816,060	1,570,588	49,298,699	64,685,347
Charge for the year	-	791,388	14,045,000	14,866,388
Disposals	-	-	-	-
At 31 March 2015	13,816,060	2,361,976	63,343,699	79,521,735
Net block				
At 31 March 2014	-	2,854,904	14,634,005	17,488,909
At 31 March 2015	-	2,517,644	1,329,630	3,847,274

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

11 Deferred tax liabilities (net)

	31 March 2015	31 March 2014
Deferred tax liability		
Fixed assets: Impact on difference between tax depreciation and depreciation / amortisation charged for the financial reporting	419,748,833	163,396,810
Gross deferred tax liability	419,748,833	163,396,810
Deferred tax asset		
Provision for doubtful debts and advances	-	(825,813)
Impact of expenditure charged to the consolidated statement of profit and loss in the current year but allowed for tax purposes on payment basis	(11,066,787)	(4,003,194)
Carry forward business loss and unabsorbed depreciation	(232,544,204)	(7,863,786)
Gross deferred tax asset	(243,610,991)	(12,692,793)
Deferred tax liabilities (net)	176,137,842	150,704,017

12 Non-current investments

	31 March 2015	31 March 2014
Non Trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (unquoted)		
300,000 (Previous year - 300,000) equity shares of Rs. 10/- each fully paid in Gem Sugars Limited	3,000,000	3,000,000
Investment in tax free bonds (unquoted)		
50,000 (Previous year - 50,000) bonds of Rs. 1,000/- each fully paid in Housing and Urban Development Corporation Limited	50,000,000	50,000,000
Investment in associates (unquoted)		
Nil (Previous year - 12,250) equity shares of Rs. 100/- each fully paid in Swelect Sunpac Power Protection Private Limited	-	1,225,000
Add: Share of accumulated profit in the Associate Company	-	1,850,802
The company has been wound up during the current year, hence the investment in the associate company has been written off		
	53,000,000	56,075,802

13 Inventories (valued at lower of cost and net realisable value)

Raw materials and components	179,638,398	166,597,040
Stores and spares	2,277,961	259,492
Work-in-progress	53,549,982	46,486,657
Finished goods	77,409,669	41,441,562
Traded goods	31,308,145	113,910,522
	344,184,155	368,695,273

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

14 Loans and advances	Non- current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Capital advances				
Unsecured, considered good	79,749,213	12,378,430	3,798,822	-
(A)	79,749,213	12,378,430	3,798,822	-
Security deposit				
Unsecured, considered good	31,176,677	32,150,545	8,913,703	21,777,887
(B)	31,176,677	32,150,545	8,913,703	21,777,887
Advances recoverable in cash or kind				
Unsecured, considered good	3,187,531	-	27,945,296	89,926,494
(C)	3,187,531	-	27,945,296	89,926,494
Other loans and advances				
<u>Unsecured, considered good:</u>				
Advance income-tax (net of provision for taxation)	116,943,963	64,338,945	-	-
MAT credit entitlement	65,801,352	59,596,658	-	-
Prepaid expenses	8,823,607	8,807,449	6,346,164	3,860,182
Loans to employees	690,750	789,399	1,395,778	1,297,530
Balances with government authorities	8,652,856	34,527,311	60,312,445	35,717,114
Provision for doubtful advance	(2,504,096)	-	-	-
(D)	198,408,432	168,059,762	68,054,387	40,874,826
<u>Unsecured, considered doubtful:</u>				
Balances with government authorities	31,373,720	-	3,159,000	13,292,392
Provision for doubtful advance	(31,373,720)	-	(3,159,000)	(13,292,392)
(E)	-	-	-	-
Total (A + B + C + D + E)	312,521,853	212,588,737	108,712,208	152,579,207

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

15 Trade receivables and other assets	Current	
	31 March 2015	31 March 2014
15.1 Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered good	53,099,367	76,827,247
Doubtful	16,878,098	14,769,423
(A)	69,977,465	91,596,670
Other receivables		
- Unsecured, considered good	499,310,360	355,879,888
(B)	499,310,360	355,879,888
Provision for doubtful receivables	(16,878,098)	(14,769,423)
(C)	(16,878,098)	(14,769,423)
Total (A + B + C)	552,409,727	432,707,135
15.2 Other assets		
Unsecured, considered good		
Non - current bank balance (refer note 17) *	11,356,819	563,977,534
Interest accrued on fixed deposits	-	32,488,952
Others	-	1,299,554
	11,356,819	563,977,534
	33,788,506	38,356,085

* Includes deposits amounting to Rs. NIL (Previous year Rs. 480,055,420) retained in the Escrow account pursuant to the transfer of uninterruptible power supply systems business.

16 Current investments	31 March 2015	31 March 2014
Current investments (valued at lower of cost and fair value, unless stated otherwise) Unquoted mutual funds		
NIL (Previous year - 1,114,602) unit of Rs. 100/- each fully paid up ICICI Prudential Liquid Super Institutional Fund - daily dividend plan	-	111,515,612
NIL (Previous year - 202,936) unit of Rs. 1000/- each fully paid up Templeton India Treasury Management Account Super Institutional Plan - Daily dividend reinvestment plan	-	203,072,441
NIL (Previous year - 660,344) unit of Rs. 100/- each fully paid up Birla Sunlife Saving Fund daily dividend reinvestment plan	-	66,230,532
NIL (Previous year - 8,972) unit of Rs.10/- each fully paid up UTI Money Market Fund	-	12,072,728
202 (Previous year - 190) unit of Rs. 1000/- each fully paid up SBI Premier Liquid Fund - daily dividend growth plan	202,751	190,914
91,319 (Previous year - 85,726) unit of Rs. 100/- each fully paid up ICICI Prudential Flexible Income Daily Dividend Reinvestment plan	9,655,772	9,064,266
NIL (Previous year - 55,375) of Rs.10/- each fully paid up SBI Premier Liquid Fund - daily dividend plan	-	55,555,100
12,000,000 (Previous year - 12,000,000) unit of Rs.10/- each fully paid up SBI Debt fund series -380 Days - Regular growth plan	120,000,000	120,000,000

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

16 Current investments	31 March 2015	31 March 2014
21,000,000 (Previous year - 21,000,000) unit of Rs.10/- each fully paid up HDFC Fixed Maturity plan 390 days Regular growth plan*	210,000,000	210,000,000
21,000,000 (Previous year - 21,000,000) unit of Rs. 10/- each fully paid up DWS Fixed maturity plan - regular growth plan*	210,000,000	210,000,000
21,000,000 (Previous year - 21,000,000) unit of Rs.10/- each fully paid up SBI debt fund 385 days - regular growth plan*	210,000,000	210,000,000
8,201,872 (Previous year - 8,201,872) unit of Rs. 10/- each fully paid up Birla Sunlife Fixed Plan Series 499 days - regular growth plan*	82,018,720	82,018,720
3,000,000 (Previous year - 3,000,000) unit of Rs. 10/- each fully paid up Birla Sunlife Fixed Term plan series 400 days - Regular growth plan*	300,000,000	300,000,000
5,000,000 (Previous year - 5,000,000) unit of Rs. 10/- each fully paid up HSBC Fixed term series 109 days - FMP - I year	50,000,000	50,000,000
20,000,000 (Previous year - 20,000,000) unit of Rs.10/- each fully paid up Kotak Fixed Maturity Plan - growth series*	200,000,000	200,000,000
5,000,000 (Previous year - 5,000,000) unit of Rs. 10/- each fully paid up Kotak Fixed Maturity Plan series 151 days - growth plan*	50,000,000	50,000,000
22,000,000 (Previous year - 22,000,000) unit of Rs.10/- each fully paid up HDFC Mutual Fund fixed maturity plan 390 Days regular growth plan*	220,000,000	220,000,000
21,000,000 (Previous year - 21,000,000) unit of Rs. 10/- each fully paid up SBI Debt Fund Series - 390 days - daily dividend plan	250,000,000	250,000,000
NIL (Previous year - 50,000,000) unit of Rs. 10/- each fully paid up SBI Debt Fund Series - 366 Days direct growth plan	-	500,000,000
594,612.305 (Previous year - Nil) unit of Rs.10/- each fully paid up Birla Sunlife Savings Fund - Daily Dividend - Regular Plan Reinvestment	59,637,830	-
979,078.074 (Previous year- Nil) unit of Rs.10/- each fully paid up ICICI Prudential Liquid -Regular Plan - Daily Dividend	97,970,076	-
195,912.084 (Previous year - Nil) unit of Rs.10/- each paid up Franklin India Treasury Management Account - Super Institutional Plan Daily Dividend	196,052,435	-
250,138.76 (Previous year - Nil) unit of Rs.10/- each fully paid up SBI Ultra short term debt fund - Direct Plan - Daily dividend	251,388,291	-
LIC Endowment Plus	500,000	-
Unquoted mutual funds	2,517,425,875	2,859,720,313
Aggregate cost of unquoted investments	2,517,425,875	2,859,720,313

Note:

* Investments marked have been pledged as collateral securities with banks for availment of term loans. (Refer Note 5a).

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

17 Cash and bank balances

	Non-Current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Cash and cash equivalents				
Balances with banks:				
On current accounts	-	-	195,633,634	105,831,469
On current accounts	-	-	481,691,348	471,597,662
On unpaid dividend accounts			3,242,210	4,087,585
Cash on hand			407,802	1,062,098
Total (A)	-	-	680,974,994	582,578,814
Other bank balances				
Deposits with original maturity for more than 3 months but less than 12 months *	-	-	1,330,039,051	735,506,305
Deposits with original maturity for more than 12 months	11,356,819	563,977,534	-	-
Total (B)	11,356,819	563,977,534	1,330,039,051	735,506,305
Amount disclosed under Other Current Assets (refer note 15.2)	(11,356,819)	(563,977,534)	-	-
Total cash and bank balances (A+B)	-	-	2,011,014,045	1,318,085,119

* Deposits to the extent of Rs. 734,251,097 (Previous year Rs. 50,000,000) have been given as collateral to the banks to facilitate the availment of working capital, packing credit, letter of credit and term loans for the Company and Subsidiaries.

* Current bank balance include deposits amounting to Rs. 486,529,343 (net) (Previous Year: Rs. 480,055,420), disclosed under Note 15.2 Other Assets retained in the Escrow account pursuant to the transfer of uninterruptible power supply systems business, which would mature on May 29, 2015.

18 Revenue from operations (net)

	31 March 2015	31 March 2014
Revenue from operations		
Sale of products		
Manufactured goods	1,891,996,528	1,680,147,695
Traded goods	196,539,054	38,573,761
Sale of services	21,529,696	12,560,965
Sale of power	87,402,895	37,687,658
Other operating revenue		
Scrap sales	5,442,446	6,126,611
Other	72,693,750	55,882,635
Revenue from operations (gross)	2,275,604,369	1,830,979,325
Less: Excise duty	57,145,128	66,510,233
Revenue from operations (net)	2,218,459,241	1,764,469,092

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

19 Other income	31 March 2015	31 March 2014
Interest income	121,980,690	120,838,532
Net gain from the sale of current investments	57,767,367	100,062,714
Dividend income on current investments - mutual fund	22,551,454	37,462,711
Rental income	3,487,029	1,357,921
Liabilities no longer required, written back	40,724,563	4,574,413
Other non-operating income	21,309,828	4,215,207
	267,820,931	268,511,498
20 Cost of raw material and components consumed	31 March 2015	31 March 2014
Inventory at the beginning of the year	166,597,040	141,409,669
Add: Purchases	1,108,409,842	875,892,611
	1,275,006,882	1,017,302,280
Less: inventory at the end of the year	179,638,398	166,597,040
Cost of raw material and components consumed	1,095,368,484	850,705,240
21 (Increase) / decrease in inventories	31 March 2015	31 March 2014
Inventories at the end of the year		
Work-in-progress	53,549,982	46,486,657
Traded goods	31,308,145	113,910,522
Finished goods	77,409,669	41,441,562
(A)	162,267,796	201,838,741
Inventories at the beginning of the year		
Work-in-progress	46,486,657	54,186,098
Traded goods	113,910,522	57,946,234
Finished goods	41,441,561	37,972,716
(B)	201,838,740	150,105,048
Total (B-A)	39,570,944	(51,733,693)
22 Employee benefit expense	31 March 2015	31 March 2014
Salaries, wages and bonus	155,965,592	134,061,876
Contribution to provident and other funds	9,996,911	7,291,918
Gratuity expense (refer note 26)	3,820,487	2,401,341
Staff welfare expenses	12,643,404	10,821,267
	182,426,394	154,576,402

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

23 Other expenses	31 March 2015	31 March 2014
Sub-contracting and processing expenses	139,739,297	128,841,733
Service and maintenance charges	1,154,565	353,592
Consumption of stores and spares	13,839,687	6,612,283
Power and fuel	70,203,931	98,948,183
Wheeling Charges	5,159,110	-
Freight and forwarding charges	13,855,081	11,783,859
Rent (refer note 27)	21,570,028	19,437,225
Rates and taxes	13,726,352	11,254,864
Insurance	5,264,745	4,283,749
Repairs and maintenance		
- Plant & Machinery	17,131,773	14,453,414
- Buildings	2,591,026	2,495,249
- Others	6,540,280	7,209,840
Corporate social responsibility	3,469,334	-
Sales promotion	7,494,846	7,049,155
Advertisement	3,654,779	9,143,503
Travelling and conveyance	20,980,843	19,507,104
Communication costs	4,688,634	3,394,475
Printing and stationery	3,528,698	3,204,149
Exchange differences (net)	40,017,487	25,369,109
Legal and professional fees	23,372,415	27,255,483
Loss on sale of assets	2,506,988	109,575
Payment to auditor	5,246,152	-
Provision for bad/doubtful receivables including advances	25,853,100	18,161,794
Bad debts/advances written off	16,740	-
Provision for warranties (net of reversals)	5,536,136	4,964,750
Miscellaneous expenses	46,941,381	17,520,177
	504,083,408	441,353,265
24 Depreciation and amortisation expense		
Depreciation of tangible assets (refer note 9 (e))	154,471,707	85,177,497
Amortisation of intangible assets	14,836,388	14,820,585
	169,308,095	99,998,082
25 Finance costs		
Interest	120,529,877	34,176,893
Bank and other charges	9,018,440	11,076,226
	129,548,317	45,253,119

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

26 Employee benefit plans

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an Insurance Company in the form of a qualifying insurance policy.

The following table summarises the components of net benefit expense recognised in the Consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Net employee benefit expense (recognised in personnel expenses)

Particulars	31 March 2015	31 March 2014
Current service cost	2,253,431	1,666,622
Interest cost on benefit obligations	684,827	497,175
Expected return on plan assets	(685,253)	(414,818)
Net actuarial loss recognised in the year	1,567,483	652,362
Net benefit expense	3,820,488	2,401,341
Actual return on plan assets	(685,253)	(414,818)

Details of provision for gratuity

Present value of obligations at the end of the year	11,996,780	7,639,939
Less : Fair value of plan assets at the end of the year	(7,788,467)	(5,436,725)
Plan liability	4,208,313	2,203,214

Changes in the present value of the defined benefit obligations are as follows:

Present value of obligations at the beginning of the year	7,639,939	4,791,775
Interest cost	684,827	497,175
Current service cost	2,253,431	1,666,622
Benefits paid	(148,900)	32,005
Actuarial loss on obligations	1,567,483	652,362
Present value of obligations at the end of the year	11,996,780	7,639,939

Changes in the fair value of plan assets are as follows:

Fair value of planned assets at the beginning of the year	5,436,726	(18,324)
Other adjustment	-	3,943,146
Expected return on plan assets	685,253	414,818
Contributions	1,815,388	829,160
Benefits paid	(148,900)	267,925
Fair value of plan assets at the end of the year	7,788,467	5,436,725

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

Amount for the current and previous four years are as follows:

Year ended	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligations	11,996,780	7,639,939	4,791,775	46,066,623	36,512,878
Plan (liability) / assets	(7,788,467)	5,436,725	(18,324)	36,164,797	29,698,026
Deficit	2,805,608	2,203,214	4,810,099	9,901,826	6,814,852
Experience adjustments on plan (asset) / liabilities	1,567,483	652,362	(5,832,963)	4,189,414	2,736,875

The principal assumptions used in determining Gratuity and Compensated absences benefit obligations for the Company's plan are shown below:

Particulars	31 March 2015	31 March 2014
Discount rate	8.0%	8.0%
Expected return on plan assets (p.a)	8.0%	8.0%
Employee turnover	1% - 3%	1% - 5%
Contribution expected to be paid during the next year	1,000,000	1,000,000

The fund is administered by Life Insurance Corporation of India ("LIC"). The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the year over which the obligations is to be settled.

The estimates of future salary increases and rate of attrition considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

27 Leases

Operating leases: Company as lessee

Particulars	31 March 2015	31 March 2014
Lease payments for the year	21,570,028	19,437,225
Future minimum lease rentals payable under operating leases are as follows:		
Not later than one year	1,970,249	4,902,477
Later than one year but not later than five years	5,936,128	6,948,017
Later than five years	31,074,123	28,629,300
	38,980,500	40,479,794

The lease term (office building for branch offices and warehouse at various locations) ranges between 1 to 6 years. Escalation clause ranges from 5-10% of premium in the lease agreements. There are no restrictions by lease agreements. There are no subleases.

Operating leases: Company as lessor

Particulars	31 March 2015	31 March 2014
Lease rent received for the year	51,122,632	48,970,893
Future minimum lease rental receivable under operating lease are as follows:		
Not later than one year	31,151,768	57,542,639
Later than one year but not later than five years	16,517,190	70,275,929
Later than five years	868,217	920,000
	48,537,175	118,271,905

The Company has entered into non-cancellable operating lease of its buildings. Terms for lease of building include annual escalation rental charges from the second year of such lease.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

28. Information in respect of Joint Venture in terms of Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures

Name of the Joint Venture	:	Swelect Infrastructure Services Private Limited
Nature of business	:	Providing infrastructure services.
Proportion of ownership interest	:	Nil (Previous year 50%)
Date of incorporation	:	02 April 2004
Country of incorporation	:	India

Summary of assets and liabilities :

(Details given below represent proportionate amount of the Company's share in joint venture)

The Joint Venture has been wound up during the current year and hence the entire amount of investment has been written off.

	31 March 2015	31 March 2014
Equity and liabilities		
Shareholders' funds		
Share capital	-	250,000
Reserves and surplus	-	520,928
	-	770,928
Non-current liabilities		
Deferred tax liabilities (net)	-	22,549
Current liabilities		
Trade payables	-	5,618
Other current liabilities	-	-
	-	5,618
Total	-	799,095
Asset		
Non-current assets		
Fixed assets		
Tangible assets	-	48,179
	-	48,179
Current assets		
Trade receivables	-	-
Cash and bank balances	-	750,916
Short-term loans and advances	-	-
	-	750,916
Total	-	799,095

Summary of income and expenditure:

(Details given below represent proportionate amount of the Company's share in joint venture)

	31 March 2015	31 March 2014
Other Income	28,167	896,489
Expenses		
Personnel expenses	-	-
Manufacturing and other expenses	750,917	966,582
Depreciation	48,179	10,000
Financial expenses	-	-
	(770,929)	(80,093)

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

29 Primary segment information (By Business segments)

The Group operations predominantly relates to the revenue from Solar power projects, solar and wind power generation, contract manufacturing services, installation and maintenance services, sale of solar PV inverters and energy efficient lighting systems and foundry. Accordingly, revenues based on class of products comprise the primary basis of segmenta linformation set out in the financial statements.

Business (Primary) segments of the Group are:

- a) Contract manufacturing - UPS Systems
- b) Solar Energy Systems / Services
- c) Foundry
- d) Others

Particulars	31 March 2015	31 March 2014
1 Segment revenue		
--- Contract manufacturing	42,794,871	130,110,566
--- Foundry	706,558,751	718,217,492
--- Solar Energy Systems / Services	1,649,645,135	1,275,619,063
--- Others	89,871,147	62,199,242
Total	2,488,869,904	2,186,146,363
Less: Inter segment revenue	(270,410,663)	(421,677,271)
Total Revenue (net)	2,218,459,241	1,764,469,092
2 Segment results		
Segment profits before finance charges and tax		
--- Contract manufacturing	5,953,954	14,339,766
--- Foundry	27,176,403	72,271,254
--- Solar Energy Systems / Services	(105,707,350)	(133,071,316)
--- Others	19,911,451	47,369,140
Other unallocable income	216,367,795	214,961,095
Exceptional items	(20,311,785)	-
Finance charges	(120,529,878)	(34,176,893)
Total profits before tax and share of loss in associate	22,860,590	181,693,046
Tax expense	(25,433,825)	(19,894,171)
Share of loss in associate	(1,179,233)	(1,376)
Total Loss / (Profit) after tax	(3,752,468)	161,797,499
3 Segment assets		
--- Contract manufacturing	106,962,130	110,155,557
--- Foundry	1,169,981,832	403,047,005
--- Solar Energy Systems / Services	3,046,385,753	3,320,780,596
--- Others	692,808,819	4,752,792,861
--- Un-allocable assets	3,993,866,851	199,466,284
Total assets	9,010,005,385	8,786,242,303

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	31 March 2015	31 March 2014
4 Segment liabilities		
--- Contract manufacturing	9,300,226	2,877,816
--- Foundry	971,232,406	209,302,035
--- Solar Energy Systems / Services	710,595,267	1,504,860,389
--- Others	498,896,020	258,879,878
Total liabilities	2,190,023,919	1,975,920,118
5 Capital expenditure (Tangible and Intangible)		
--- Foundry	136,872,003	196,142,747
--- Solar Energy Systems / Services	364,242,760	694,205,639
--- Others	22,900,348	16,436,944
Total Capital expenditure (Tangible and Intangible)	524,015,111	906,785,330
6 Depreciation / amortisation		
--- Contract manufacturing	2,378,394	2,378,394
--- Foundry	34,886,751	19,380,070
--- Solar Energy Systems / Services	91,291,019	68,390,328
--- Others	40,751,930	98,49,290
Total depreciation / amortisation	169,308,094	99,998,082

30 Secondary segment information (By Geographical segments)

The following table shows the geographical distribution of the Group's segment revenues and additions to tangible and intangible assets for the year ended 31 March 2015 and year ended 31 March 2014.

Particulars	Geographical segment			
	31 March 2015		31 March 2014	
	Outside India	India	Outside India	India
Revenues	441,948,344	1,776,510,897	441,059,975	1,323,409,117
Capital expenditure (Tangible and Intangible)	8,773,001	515,242,110	20,619,016	886,166,314
Segment assets	90,162,628	8,919,842,757	309,141,022	8,477,101,281

31 Capital and other commitments

- The estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 413,831,319 (31 March 2014: Rs. 48,662,043).
- Commitments relating to lease arrangements, please refer to note 27.

32 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	31 March 2015	31 March 2014
(Loss) / Profit after tax as per consolidated statement of profit and loss (A)	(3,752,468)	161,797,499
Preference dividend tax (B)	(441,250)	(637,313)
Net profit attributable to the equity share holders (A + B = C)	(4,193,718)	161,160,186
	Number of shares	Number of shares
Weighted average number of equity shares (D)	10,105,840	10,105,840
Basic and diluted earnings per share (C / D)	(0.41)	15.95

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

33 Related party transactions

1. Names of related parties and nature of relationship

Associate	Swelect Sunpac Power Protection Private Limited (Upto September 2014)
Joint Venture	Swelect Infrastructure Services Private Limited (Upto September 2014)
Enterprises owned or significantly influenced by key management personnel or their relatives	Swelect Electronics Private Limited Swelect Technologies Private Limited
Key Management Personnel	Mr. R Chellappan - Managing Director Mr. V. C. Raghunath -Director (with effect from July 2014)
Relatives of key management personnel	Mrs. Gunasundari Chellappan Mrs. V. C. Mirunalini

Related party transactions

Particulars	Associate / Joint Venture / Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel		Relatives of key management personnel		Total	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Sale of goods	-	-	305,277	-	-	-	305,277	-
-- Mr. R Chellappan	-	-	305,277	-	-	-	305,277	-
Rent expense	-	-	192,935	182,250	-	-	192,935	182,250
-- Mr. R Chellappan	-	-	192,935	182,250	-	-	192,935	182,250
Investment written off	1,475,000	-	-	-	-	-	1,475,000	-
-- Swelect Infrastructure Services Private Limited	250,000	-	-	-	-	-	250,000	-
-- Swelect Sunpac Power Protection Private Limited	1,225,000	-	-	-	-	-	1,225,000	-
Remuneration	-	-	4,309,990	5,704,256	641,321	583,344	4,951,311	6,287,600
-- Mr. R Chellappan	-	-	3,538,846	5,003,903	-	-	3,538,846	5,003,903
-- Mr. V.C.Raghunath	-	-	771,144	700,353	-	-	771,144	700,353
-- Mrs. V.C.Mirunalini	-	-	-	-	641,321	583,344	641,321	583,344
Dividend paid	-	-	43,072,686	38,032,880	1,103,346	3,747,064	44,176,032	41,779,944
-- Mr. R Chellappan	-	-	42,723,486	37,976,432	-	-	42,723,486	37,976,432
-- Others	-	-	349,200	56,448	1,103,346	3,747,064	1,452,546	3,803,512

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

34 Contingent liabilities

	31 March 2015	31 March 2014
Claims against the Company not acknowledged as debts		
a) Excise, custom / Cenvat related matters	95,617,299	128,191,582
b) Sales tax related matters	51,495,575	17,382,361
c) Income tax related matters	14,575,600	14,575,600
	161,688,474	160,149,543

35 Derivative instruments and foreign currency exposures

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Foreign Currency	31 March 2015		31 March 2014	
		Amount in Foreign Currency	Amount in Indian Rupees	Amount in Foreign Currency	Amount in Indian Rupees
Receivables	USD	595,551	37,275,532	425,752	25,587,585
	EURO	876,678	59,299,829	943,184	77,710,816
	SGD	53,823	2,455,434	30,102	1,436,385
	GBP	25,717	2,411,900	3,750	372,036
Payables	USD	1,447,361	90,590,327	1,188,562	71,432,320
	EURO	150,870	10,205,078	592,673	48,831,473
	SGD	22,908	1,045,079	-	-
	GBP	72,086	6,760,612	24,849	2,465,258
Cash balance	USD	516	32,296	-	-
	NTS	1,300	2,366	-	-
	CNY/RNB	17	159	-	-
Bank balance	USD	705	44,098	1,816	109,141
	SGD	3,856,020	175,912,069	4,226,704	201,686,455
	EURO	667	45,132	821	67,627
Secured loans	USD	378,840	23,711,596	-	-
	EURO	791,040	53,507,157	-	-
Buyer's credit	USD	386,146	24,168,888	36,494	3,013,547

36 Goodwill / Capital reserve on consolidation

1. Goodwill on consolidation

Goodwill on consolidation represents the excess purchase consideration paid over net asset value of acquired subsidiaries on the date of such acquisition. Such goodwill is tested for impairment annually or more frequently, if there are indicators for impairment. The management does not foresee any risk of impairment on the carrying value of goodwill as at 31 March 2015.

Goodwill on consolidation as at 31 March 2015 stood at Rs. 4428.80 lakhs (previous year: Rs. 3440.40 lakhs). Significant acquisitions over the years which resulted in goodwill were Amex Irons Private Limited, HHV Solar Technologies Limited, BS Powetech Solutions Private Limited and Swelect Green Energy Solutions and the details of the same are given below:

- The Company acquired 100% equity share stake in Amex Irons Private Limited for a consideration of Rs. 995.00 lakhs on 14 November 2011. The excess purchase consideration paid over the net asset taken over to the extent of Rs. 455.04 lakhs was recognised as goodwill.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

- b. The Company acquired 49% equity share stake in HHV Solar Technologies Limited for a consideration of Rs. 2186.03 lakhs on 10 January 2013. The purchase consideration paid along with the net liability taken over amounting to Rs. 2667.71 lakhs was recognised as goodwill. The balance 51% equity share stake was acquired on 1 August 2014 for a consideration of Rs. 488.40 lakhs. Consequently, HHV Solar Technologies Limited became a 100% subsidiary of the Company. The purchase consideration paid along with the net liabilities taken over amounting to Rs. 988.40 lakhs is recognised as goodwill.
- c. The Company's wholly owned subsidiary Swelect Solar Energy Private Limited acquired 76% equity share stake in BS Powertech Solutions Private Limited for a consideration of Rs. 150.00 lakhs on 25 January 2012. The excess purchase consideration paid over the net asset taken over to the extent of Rs. 150.02 lakhs was recognised as goodwill. The balance 24% equity share stake was acquired on 11 December 2013 for a consideration of Rs. 157.89 lakhs. Consequently, BS Powertech Solutions Private Limited became a 100% subsidiary of the Company. The purchase consideration paid along with the net liabilities taken over amounting to Rs. 167.07 lakhs is recognised as goodwill.
- d. The Company acquired 100% equity share stake in Swelect Green Energy Solutions Private Limited for a consideration of Rs. 70.00 lakhs on 11 November 2013. The excess purchase consideration paid over the net assets taken over to the extent of Rs. 0.56 lakhs is recognised as goodwill.

2 Capital reserve on consolidation

Capital reserve on consolidation represents excess net asset value of acquired subsidiary over the consideration paid on the date of such acquisition. Capital reserve on consolidation as at 31 March 2015 stood at Rs. 151.46 lakhs (Previous year Rs. 151.46 lakhs). The details of which is provided below:

- a. The Company acquired 92% equity share stake in Amex Alloys Private Limited for a consideration of Rs. 421.71 lakhs on 05 December 2010. The excess net asset value over the purchase consideration to the extent of Rs. 165.49 lakhs was recognized as capital reserve. The balance 8% equity share stake was acquired on 08 July 2013 for a consideration of Rs. 119.47 lakhs. Consequently, Amex Alloys Private Limited became a 100% subsidiary of the Company. The excess purchase consideration paid over the net assets taken over to the extent of Rs. 14.03 lakhs is adjusted with the capital reserve.

SWELECT ENERGY SYSTEMS LIMITED

Notes to consolidated financial statement for the year ended 31 March 2015

(All amounts are in Indian Rupees, unless otherwise stated)

37 Additional disclosure requirement under Section 129 of the Companies Act, 2013.

Name of the entity	Net Assets		Share in Profit or Loss	
	As a % of the consolidated net assets	Amount	As a % of the consolidated profit/loss	As a % of the total consolidated Profit / (loss) after Taxation
Parent				
Swelect Energy Systems Limited	75%	5,088,686,686	-268%	10,041,135
Subsidiaries				
Foreign				
Swelect Energy Systems Pte. Limited, Singapore	12%	781,839,388	-254%	9,541,245
Indian				
HHV Solar Technologies Limited	5%	334,264,322	219%	(8,217,337)
Amex Alloys Private Limited	5%	339,621,671	-527%	19,793,113
Amex Irons Private Limited	2%	158,876,129	813%	(30,516,244)
Swelect Solar Energy Private Limited	0%	(338,358)	31%	(1,163,887)
BS Powertech Solutions Private Limited	1%	96,172,630	15%	(554,731)
Swelect Green Energy Solutions Private Limited	0%	20,858,996	19%	(725,600)
Minority interest in HHV Solar Technologies Limited	-1%	(40,000,000)		
Joint Venture - Indian				
Swelect Infrastructure Services Private Limited	0%	-	21%	(770,928)
Associate - Indian				
Sunpac Power Protection Private Limited	0%	-	31%	(1,179,233)
Total		6,779,981,463		(3,752,468)

38 Exceptional Item

Exceptional item represents cost of land written off amounting to Rs.20,311,785 (net of recovery) on account of defective title and for which the company is pursuing a legal claim against certain individuals.

39 Previous year figures have been regrouped / reclassified, wherever necessary, to conform the current year's classification.

For S.R Batliboi & Associates LLP

ICAI Firm's registration number: 101049W
Chartered Accountants

per Subramanian Suresh

Partner
ICAI Membership no.: 083673

For and on behalf of the board of directors

R. Chellappan
Managing Director

J. Bhuvanawari
Company Secretary

Place: Chennai
Date: 28 May 2015

V. C. Raghunath
Director

P. Jagan
Chief Financial Officer

Place: Chennai
Date: 28 May 2015

Place: Chennai
Date: 28 May 2015

SWELECT ENERGY SYSTEMS LIMITED

(All amounts are in Indian Rupees, unless otherwise stated)

Form AOC-1

Statement (Pursuant to first proviso to sub-Section 3 of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries.

Part "A": Subsidiaries

Sl no.	Name of the Subsidiary	Reporting period	Reporting Currency	Exchange Rate	Share Capital	Reserves and surplus	Total Assets	Total Liabilities	Details of Investment (except in case of Investment in subsidiary)	Turnover (net)	Profit / (loss) before Taxation	Provision for Taxation	Profit / (loss) after Taxation	Proposed Dividend	% of shareholding
1	Swelect Energy Systems Pte. Limited, Singapore	Apr-Mar	USD	62.59	437,230,241	427,087,537	923,234,661	58,856,883	-	217,346,463	9,357,815	(183,429)	9,541,246	-	100.00%
2	HHV Solar Technologies Limited (Formerly HHV Solar Technologies Limited)	Apr-Mar	INR	1.00	253,557,290	(218,343,358)	596,935,333	561,721,399	-	1,025,062,591	(9,936,109)	-	(9,936,109)	-	100.00%
3	Amex Alloys Private Limited	Apr-Mar	INR	1.00	22,500,000	153,152,366	726,062,915	550,410,528	-	497,615,001	29,212,705	9,419,592	19,793,113	2,500,000	100.00%
4	Amex Irons Private Limited	Apr-Mar	INR	1.00	55,000,000	(52,248,400)	246,073,478	253,321,879	-	238,174,621	(30,516,244)	-	(30,516,244)	-	100.00%
5	Swelect Solar Energy Private Limited	Apr-Mar	INR	1.00	24,400,000	(7,501,526)	56,764,178	39,865,704	-	-	(1,163,888)	-	(1,163,888)	-	100.00%
6	BS Powertech Solutions Private Limited	Apr-Mar	INR	1.00	100,000	(7,007,237)	123,308,755	130,215,993	-	21,196,481	(554,731)	-	(554,731)	-	100.00%
7	Swelect Green Energy Solutions Private Limited	Apr-Mar	INR	1.00	13,500,000	(3,568,743)	23,411,221	13,479,963	-	6,174,000	(725,600)	-	(725,600)	-	100.00%

Note:

- Indian rupee equivalents of the figures given in foreign currency in the accounts of the subsidiary company, are based on the exchange rates as on 31.03.2015.
- The Company acquired the balance 51% of the equity share capital of HHV Solar Technologies Limited on August 01, 2014.

SWELECT ENERGY SYSTEMS LIMITED

(All amounts are in Indian Rupees, unless otherwise stated)

Form AOC-1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company and Joint Venture

Part "B ": Associates and Joint Ventures

Sl no.	Name of the Associate / Joint Venture	Latest Audited Balance sheet date	Shares held by the Company on the year end			Significant influence	Reason for not consolidation	Net worth	Profit / (Loss) for the year	
			No	Investment held	Holding %					
(A)	Associate									
1	Swelect Sunpac Power Protection Private Limited	31-Mar-15	Nil	Nil	Nil	Voting Power	Not applicable	Nil	(1,179,233)	Nil
(B)	Joint Venture									
2	Swelect Infrastructure Services Private Limited	31-Mar-15	Nil	Nil	Nil	Voting Power	Not applicable	Nil	(770,928)	Nil

Note:

- During the year, the Associate Company and the Joint venture were struck off under the "Fast Track Exit" route, as per Section 560 of the Companies Act, 1956, since these Companies were inoperative for more than five years.



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SWELECT ENERGY SYSTEMS LIMITED

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NOTICE TO THE TWENTIETH ANNUAL GENERAL MEETING

The **TWENTIETH** Annual General Meeting of **SWELECT ENERGY SYSTEMS LIMITED** will be held on Wednesday the 29th July 2015 at 3.30 P.M. at Savera Hotel, No. 146, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004 to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt;

- (a) the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statements of the Company for the financial year ended March, 2015, the reports of the Auditors thereon;

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors, be and are hereby considered and adopted.

RESOLVED FURTHER THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2015, the reports of the Auditors, be and are hereby considered and adopted.”

2. To declare dividend.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT a dividend of Rs.2.5/- per equity share [i.e. 25 % on the paid up equity share capital of Rs.10,10,58,400/- (Rupees Ten Crores Ten Lakhs Fifty Eight Thousand Four Hundred Only)] of the Company as recommended by the Board of Directors be and is hereby declared and that the same be paid within 30 days to all the shareholders whose names appear on the Register of Members as on 23rd July 2015.

3. To appoint a Director in place of Mr. V.C. Raghunath (DIN-00703922) who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. V.C. Raghunath (DIN: 00703922), whose period of office is liable to determination by retirement of Directors by rotation, and who has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

4. To appoint a Director in place of Mrs. Vasantha Balan (DIN-05324401), who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers herself for re-appointment.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mrs. Vasantha Balan (DIN 05324401), whose period of office is liable to determination by retirement of Directors by rotation, and who has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

5. To appoint a Director in place of Mrs. Jayashree Nachiappan (DIN- 03173327), who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers herself for re-appointment.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mrs. Jayashree Nachiappan (DIN- 03173327), whose period of office is liable to determination by retirement of Directors by rotation, and who has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

6. To appoint Auditors and fix their remuneration.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. S.R. Batliboi & Associates, LLP (Firm registration number : 101049W) having their office at Tidel Park, 6th & 7th Floor - A Block (Module 601,701-702) No.4, Rajiv Gandhi Salai, Taramani, Chennai - 600113, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration and out-of-pocket expenses as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

7. APPOINTMENT OF MR. R. CHELLAPPAN AS THE MANAGING DIRECTOR OF THE COMPANY FOR THE PERIOD OF 5 YEARS.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to sec 196 and other applicable provisions of the Companies Act 2013, Mr. R. Chellappan be and is hereby appointed as the Managing Director of the Company for a period of 5 (Five) years with effect from 1st May 2015 to 30th April 2020, on the terms and conditions as specified below within the limits of the provisions of Schedule V of the Companies Act 2013.

The remuneration, benefits, perquisites, commission and other allowances, payable to him with effect from 1st May 2015 are as under:

1. Remuneration by way of salary, Dearness Allowances, House Rent Allowance, Personal Accident Insurance and LIC Group insurance Scheme, Club Fees (Subject to a maximum of two clubs) and Gas, Electricity and Water not to exceed Rs.3,00,000 per month or Rs.36,00,000 /- per annum.
2. In addition to (1) above, he will also be eligible for the following perquisites:-
 - a) Contribution to Provident Fund or Annuity fund to the extent that these, either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) Gratuity payable not exceeding half a month's salary for each completed year of service.
 - c) Encashment of leave at the end of the tenure.
 - d) Leave Travel Concession: For self and Family once in a year as per the rules of the Company.
 - e) Car: Car will be provided by the Company. The expenses connected with the operation will be reimbursed as per the rules of the Company from time to time.
 - f) Telephone: Provision of a telephone at residence. Personal long distance calls shall be billed by the company.
 - g) Soft furnishing allowance/Entertainment Allowance/Daily Allowance/Recreation Allowance/Domestic Service Allowance, subject to a ceiling of Rs. 3,00,000/- per annum.
 - h) Reimbursement of Medical Expenses for Self and Family, as approved by CCIT.
 - i) Contribution to Super Annuation Fund as per the Applicable Rules.

- N.B. (i) The above allowances / benefits / reimbursements would be subject to the applicable Income - Tax Rules.
(ii) The word "family" shall mean the persons specified in the Companies Act, 2013.
(iii) Use of Car and telephone shall be dealt with as per applicable provisions under the Income Tax Rules 1962.
3. Commission: In addition to the above, commission @ 1% of the Net Profits of the Company will be paid.

Chennai
28th May 2015

By Order of the Board
For **SWELECT ENERGY SYSTEMS LIMITED**
R. Chellappan
Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A blank form of proxy is enclosed, which, if used, should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Pursuant to the provisions of section 105 of the Companies Act 2013 a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
3. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the board resolution authorising such representative to attend and vote on their behalf at the meeting.
5. The Register of Members and the Share Transfer Books will remain closed from 24th July 2015 to 29th July 2015 both days inclusive, for determining the name of members eligible for payment of dividend on equity shares.
6. The dividend on Equity shares, if declared at the ensuing Annual General Meeting, will be credited / deposited between 3rd August 2015 and 12th August 2015 to those members whose names appear on the Company's Register of Members on 23rd July 2015
7. Members whose shareholding is in the electronic mode are requested to inform change of address notifications and updates of saving bank account details to their respective Depository participant(s). Members are encouraged to utilize the Electronic Clearing system (ECS) for receiving dividends.
8. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will as per section 124 of the Companies Act 2013 (section 205A of the erstwhile Companies Act 1956) be transferred to the Investors Education and Protection Fund.
9. The related Explanatory statement pursuant to Sec 102(2) of the Companies Act 2013, setting out all the material fact concerning item No. 7 is annexed herewith.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. Pursuant to section 108 of the Companies Act, 2013, read with the relevant rules of the Act, the Company is required to provide members the facility to cast their vote by electronic means. The detailed instructions for e-voting are annexed to this Notice.

Annexure to Notice

Explanatory statement required in pursuance of section 102(2) of the Companies Act 2013.

Item No 7:

Mr. R. Chellappan was appointed as Managing Director of the Company from 1st May 2010 to 30th April 2015 vide Shareholders' resolution at the 15th Annual General meeting held on 7th August 2010. The tenure expired on 30th April 2015.

The Board of Directors at their meeting held on 12.02.2015, has appointed Mr. R. Chellappan as the Managing Director of the Company for a period of 5 years from 1st May 2015 to 30th April 2020 as per the terms and conditions, subject to the approval of the shareholders.

The Company has received notice in writing from Mr. A. Balan, proposing Mr. R. Chellappan's candidature for the office of Managing Director. The Company also received the deposit amount from Mr. A. Balan.

The Board accordingly recommends the resolution as set out in Item No. 7 of the Notice for approval of the members.

No Directors, Key Managerial Personnel or their relatives, except Mr. R. Chellappan to whom the resolution relates and Mr. V.C. Raghunath, Son of Mr. R. Chellappan are interested or concerned in the resolution.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT.

Brief profile of the Directors seeking appointment / re-appointments

1. Brief resume of Mr. R. Chellappan and nature of his expertise in specific functional areas:

AGE & DOB	62 years, 08th MAY 1953
EDUCATIONAL QUALIFICATION	DEE and qualified Engineer in Electrical and Electronics from Thiagarajar Polytechnic College, Salem – April 1972 BE (EEE) from Coimbatore Institute of Technology with University rank – Nov 1979 An active Senior Member of Institute of Electrical & Electronics Engineers Inc. – USA (IEEE) for the last 20 years
EXPERIENCE	8 Years with Sri Ramakrishna Steel Industries Ltd, Coimbatore 5 Years with Ashok Leyland Ltd, Chennai
CREDENTIALS	One of the Founder Members / Trustee of National Solar Energy Federation of India (NSEFI), South Chapter Appointed as chairman of IEEE – Madras Chapter, PELS society Bonafide member of MAIT – Manufacturers' Associate for Information Technology Received special achievement award from the Hon'ble Governor of Tamil Nadu for being one of Elite group of ten outstanding entrepreneurs in the field of IT and ITES "TRAIL BLAZERS – PATH FINDERS 2011" - a recognition and appreciation for the efforts of entrepreneurs who are part of the competitive IT and ITES Industry and whose contribution to the growth of the economy has been significant. In November 2013, awarded the winner of the TiECon Award 2013 as "The Entrepreneur of the Year 2013".

ACHIEVEMENTS UNDER HIS LEADERSHIP	<p>Started the business (in 1984) with a team of just six members, and then built the company to 2600 employees (in 2012) across its branches in India and overseas.</p> <p>In May 2012, Numeric transferred the UPS division to Novateur Electrical & Digital Systems Pvt Ltd, a wholly owned subsidiary of LEGRAND S.A. FRANCE under a BTA (Business Transfer Agreement).</p> <p>In Aug 2012, SWELECT was empanelled by BEE (Bureau of Energy Efficiency) as ESCO (Energy Service Company).</p> <p>In Dec 2012, SWELECT was recognized as the No.1* Solar Solution Provider (Integrator) company of the Year 2012.</p> <p>In Dec 2012, SWELECT was adjudged as the winner of Soft Disk (SD) Awards 2012 for Leadership in Roof Top Solar Installations.</p> <p>In Jan 2013, SWELECT got a CRISIL rating of SP1A (highest for Technical and Financial Superiority) and was accredited by MNRE as the authorized Channel Partner for Off-grid and Decentralized Solar PV systems under JNNSM scheme.</p> <p>Amex Alloys was awarded as Export Excellence Award for FY(12-13).</p> <p>SD's No.1 off Grid / Roof Top Solar PV power solution provider of the year 2013.</p> <p>A++ SD's star green rating.</p> <p>Winner of the largest numbers of roof top installation in the country in 2012-13.</p>
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Mr. R. Chellappan holds directorship in the following companies:

Sr. No.	Name of the Companies/ Firms	Position held
1	HHV Solar Technologies limited	Managing Director
2	Amex Alloys Private limited	Director
3	Amex Irons Private limited	Director
4	SWELECT Technologies Private Limited	Director
5	SWELECT Solar Energy Private Limited	Director
6	Gem Sugars Limited	Director
7	SWELECT Green Energy Solutions Private Limited	Director
8	SWELECT Energy Systems Pte. Limited, Singapore	Director
9	SWELECT Electronics Private Limited	Director
10	BS Powertech Solutions Private Limited	Director
11	SWELECT Power Systems Private Limited	Director
12	Novateur Electrical & digital Solutions private Limited	Director
13	NOEL Media & Advertising Private Limited	Director

Chairperson of Board of other Companies: 1

Member of Board Committee of Other Companies: 1

Shareholding in the Company:

- i) Own: 47,47,054 Shares
- ii) Held by/for other persons on a beneficial basis: Nil

Disclosure of relationships between directors inter-se: Mr. V.C. Raghunath, Whole time director is the Son of Mr. R. Chellappan,

2 Brief resume of Mr.V.C. Raghunath and nature of his expertise in specific functional areas:

AGE & DOB	33 years, 11 th JULY 1981
EDUCATIONAL QUALIFICATION	BE (EEE) Master of Science (Electrical Engineering)
EXPERIENCE	8 Years in the Power Electronics and Solar Industry, Started his career in 2006
CERTIFICATION	Certified SAP Solution Consultant for Supply Chain Management / Order Fulfilment
PORTFOLIO	<p>Handling of all India Level Solar Power Project Management and Solutions</p> <ul style="list-style-type: none"> - Contributes to the development of marketing strategy of the Company and communication. - Training and Guiding the Sales team in achieving their target. - Key function is to negotiate complex, high-value contracts for the supply of Solar Power products and solutions. - Meet key customers and give presentations of new products and proposals, besides maintaining relations with the existing ones. - Project Execution and Management - Ensuring that customers' requirements related to the products and solutions are made available within shortest possible time. - Work closely with other members of the sales team and other departments within the company to ensure customer and company expectations are met. - Cost working for all Tenders and Quotes - Service Escalation Management and support to all the Service team
PROJECTS HANDLED	<p>Co-ordination with internal team members and the customers for the on time procurement, supply and installation for all the MW projects, and several smaller, but complex projects, till the end of plant energising.</p> <p>Few Major MW Range projects to mention:</p> <ul style="list-style-type: none"> (a) 1.65MW SPV Solar Park at Hosur for Exide Industries Ltd as a Turnkey EPC Project (b) 1MW SPV Power Plant at TADA for Nippo Batteries with Engineering and Installations (c) 1MW SPV Power Plant at Sivagangai for Noel Media (d) 1MW SPV Park at Karur for Yajur Energy, USA (e) 2MW SPV Park at Karur for Amex Alloys Pvt Ltd <p>Ensured for the highest number of installations for the year and was adjudged as the winner of SD Award 2014 for having completed the largest numbers of Roof Top Installations in the Country</p>

Mr. V.C. Raghunath holds directorship in the following companies:

Sr. No.	Name of the Companies/ Firms	Position held
1	Amex Alloys Private Limited	Director
2	Amex Irons Private Limited	Director
3	BS Powertech Solutions Private Limited	Director
4	SWELECT Energy Systems Pte. Limited	Director
5	SWELECT Technologies Private Limited	Director
6	NOEL Media & Advertising Private Limited	Director

Chairperson of Board Committees of other Companies: None

Member of Board Committee of Other Companies: None

Shareholding in the Company:

- i) Own: 38,800 Shares
- ii) Held by/for other persons on a beneficial basis: Nil

Disclosure of relationships between directors inter-se: Mr. V.C. Raghunath is the Son of Mr. R. Chellappan, Managing Director.

3. Brief resume of Mrs. Vasantha Balan and nature of her expertise in specific functional areas:

Mrs Vasantha Balan is 55 years of age and is a non-executive Director of the Company. She is a science graduate from Madras University and holds directorship in the following companies.

Sr. No.	Name of the Companies/ Firms	Position held
1	SWELECT Solar Energy Private Limited	Director
2	SWELECT Green Energy Solutions Private Limited	Director
3	SWELECT Electronics Private Limited	Director
4	SWELECT Power Systems Private Limited	Director

Chairperson of Board Committees of other Companies: None

Member of Board Committee of Other Companies: None

Shareholding in the Company:

- i) Own: 7,056 Shares
- ii) Held by/for other persons on a beneficial basis: Nil

Disclosure of relationships between directors inter-se: None

4. Brief resume of Mrs. Jayashree Nachiappan and nature of her expertise in specific functional areas:

Mrs. Jayashree Nachiappan is 48 years of age and is a non-executive Director of the Company. She holds an Engineering degree in Printing Technology from College of Engineering, Guindy affiliated to Anna university, Chennai and runs her own Offset printing press for the past 21 years.

Mrs. Jayashree Nachiappan holds directorship in the following companies.

Sr. No.	Name of the Companies/ Firms	Position held
1	Swelect Solar Energy Private Limited,	Director
2	Swelect Green Energy Solutions Private Limited,	Director
3	BS Powertech Solutions Private Limited,	Director

Chairperson of Board Committees of other Companies: None

Member of Board Committee of Other Companies: None

Shareholding in the Company:

- i) Own: 100 Shares
- ii) Held by/for other persons on a beneficial basis: Nil

Disclosure of relationships between directors inter-se: None

By Order of the Board
For SWELECT ENERGY SYSTEMS LIMITED

R. Chellappan
Managing Director

Chennai
28th May 2015

Electronic voting (e-voting)

Pursuant to provisions of section 108 of the Companies Act 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 20th Annual General meeting of the Company to be held on Wednesday the 29th July 2015 at 3.30 pm. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The Annual Report of the Company for the year ended 31.03.2015 together with the Notice, Proxy Form and attendance slip, is being sent through Speed post / Registered Post to all shareholders.

The voting period begins on 26th July 2015 at 9:00 am and ends on 28th July 2015 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd July 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

EVSN (Electronic Voting Sequence Number) is 150625019

Please read the instructions printed below before exercising your vote.

The instructions for members for voting electronically are as under:-

- (i) Log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company, then enter the Captcha Code as displayed and Click on Login.
- (iv) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (v) Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name followed by 8 digits serial number (printed on the first line of address label affixed on envelope carrying the Annual Report) in the PAN field. <p>For Example: Your name : SURESH KUMAR 8 digits Serial No : 00002800 Then type in the PAN Field : SU00002800</p>
DOB#	Enter the Date of Birth / Date of incorporation as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

Please enter any one of the details in order to login. Incase both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.

- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for SWELECT ENERGY SYSTEMS LIMITED on which you choose to vote.
- (x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Non Individual shareholders, (i.e. other than individuals, HUF, NRI etc.,) and Corporate / Custodians** are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

The voting period begins on **26th July 2015 at 9:00 am and ends on 28th July 2015 at 5:00 pm**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd July 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at <https://www.evotingindia.com> under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instructions

- a) Mr. P. Eswaramoorthy, Practicing Company Secretary (Membership No. FCS 6510), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- b) The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the meeting, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company and Chairman or a person authorised by him in writing will disclose the result forthwith.
- c) The results declared along with the Scrutinizer's Report will be placed on the Company's website www.swelectes.com, CDSL website and the same will also be communicated to BSE Ltd., and National Stock Exchange of India Limited.
- d) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 23rd July 2015.

- e) Members who did not cast their vote through e-voting during the evoting period shall be allowed to cast their vote at the AGM through ballot paper. Members who have voted through evoting can attend the meeting but cannot vote again through ballot paper at AGM.

For your immediate reference, we also give below the location / route map to reach the venue of the Annual General Meeting of the Company.

LOCATION MAP



Venue of AGM:

The Saveria Hotel, Samavesh Hall,
146, Dr. Radhakrishnan Salai,
Mylapore, Chennai – 600004.

Phone : +91 - 44 - 2811 4700.

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

SWELECT ENERGY SYSTEMS LIMITED

CIN: L93090TN1994PLC028578

Registered Office: Numeric House, No.5, Sir P.S. Sivasamy Salai, Mylapore, Chennai-600004.

Tel: 044-24993266 Fax: 044-24995179 Email: cg.ird@swelectes.com, Website: www.swelectes.com

Name of the member(s):	
Registered address	
E-mail Id:	
Folio No. / Client ID: DP ID:	

I / We, being the member(s) of SWELECT ENERGY SYSTEMS LIMITED, holding equity shares of the Company, hereby appoint

- Name:

Address:

.....

.....

Email Id:

Signature:,

or failing him
- Name:

Address:

.....

.....

Email Id:

Signature:,

or failing him
- Name:

Address:

.....

.....

Email Id:

Signature:,

or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Wednesday the 29th July 2015, at 3:30 p.m. at Savera Hotel, No.146, Dr. Radhakrishnan Salai, Mylapore, Chennai-600004, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
	Ordinary business			
1	To consider and adopt the Twentieth Annual Report of the Directors, the 'Standalone and Consolidated' Audited Balance Sheet as at 31st March 2015, Profit and Loss Account for the year ended 31st March 2015 and the Auditors' Report thereon.			
2	To declare Dividend.			
3	To appoint a Director in place of Mr. V. C. Raghunath (holding DIN- 00703922) who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers himself for Re-appointment.			
4	To appoint a Director in place of Mrs. Vasantha Balan (DIN-05324401) who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers herself for Re-appointment.			
5	To appoint a Director in place of Mrs. Jayashree Nachiappan (DIN- 03173327) who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers herself for Re-appointment.			
6	To appoint Auditors and fix their remuneration.			
	Special business			
7	Appointment of Mr. R. Chellappan (DIN -00016958) as the Managing Director of the Company for a period of five Years			

Signed this day of 2015.

Signature of shareholder:

Affix
Revenue
Stamp

Signature of the proxy holder(s):

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

SWELECT ENERGY SYSTEMS LIMITED

CIN: L93090TN1994PLC028578

Registered Office: Numeric House, No.5, Sir P.S. Sivasamy Salai, Mylapore, Chennai-600004.
Tel: 044-24993266 Fax: 044-24995179 Email: cg.ird@swelectes.com, Website: www.swelectes.com

ATTENDANCE SLIP

1. Name and Address :
2. Joint Holder(s) :
3. E-mail ID :
4. FOLIO / DP ID / CLIENT ID :

ELECTRONIC VOTING PARTICULARS		
EVS [E-voting Sequence Number]	User ID	Password / PIN
150625019	Enter your Folio No./DP ID/CL ID:	Please enter the PAN and Date of Birth or Bank Account No:

I/We hereby certify that I/We, am/are registered Member/Proxy for the registered Member of the Company and hereby record my/our presence at the 20th Annual General Meeting of the Company on Wednesday the 29th July 2015 at 3:30 p.m. at Savera Hotel, No.146, Dr. Radhakrishnan Salai, Mylapore, Chennai-600004 or at any adjournment thereof in respect of such resolutions as mentioned in the Notice.

<i>Name of the Registered Holder / Proxy</i> (IN BLOCK LETTERS)	<i>Signature of the Registered Holder / Proxy</i>

Note: Members / Proxies to Members are requested to sign and handover this slip at the entrance of the venue of the Meeting.