

SWELECT ENERGY SYSTEMS LIMITED

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CIN: L9100DTM1994PL1C028578

Part I: Statement of Unaudited Standalone Financial Results for the Quarter and Six Months ended September 30, 2014

(Rupees in Lakhs except EPS and shareholding data)

Particulars	Three months ended			Six months ended		Previous Year ended
	30-Sep-14 Unaudited	30-Jun-14 Unaudited	30-Sep-13 Unaudited	30-Sep-14 Unaudited	30-Sep-13 Unaudited	31-Mar-14 Audited
1 Income from operations						
Net Sales / Income from Operations (Net of excise duty)	1,658.14	1,401.18	420.51	3,059.32	1,211.86	4,476.38
Other Operating Income	152.66	161.94	132.03	314.50	301.69	605.75
Total Income from operations (net)	1,810.80	1,563.12	552.54	3,373.82	1,513.55	5,082.13
2 Expenses						
a Cost of materials consumed	404.81	186.98	253.63	591.79	800.23	2,073.47
b Purchase of stock in trade	838.34	214.46	77.52	1,072.80	104.20	2,403.94
c Changes in inventories of finished goods, work-in-progress and stock in trade	15.46	659.69	(52.78)	673.15	(4.51)	(502.82)
d Employee benefits expense	171.64	174.07	344.06	345.71	290.66	625.46
e Depreciation and amortisation expenses (refer Note 3)	193.22	194.99	110.34	388.21	218.34	446.23
f Other expenses	238.25	223.86	374.56	462.11	462.54	761.25
Total expenses	1,881.72	1,654.06	707.33	3,835.77	1,871.46	5,407.53
3 (Loss) / Profit from operations before other income and finance costs and exceptional items (1-2)	(70.92)	(91.03)	(134.79)	(161.95)	(358.71)	(325.40)
4 Other Income	561.74	458.59	54.55	1,020.33	1,415.23	2,936.00
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	490.82	367.56	(80.24)	858.38	1,056.52	2,610.60
6 Finance costs	279.51	244.21	24.77	523.72	47.05	116.09
7 Profit / (Loss) from ordinary activities before tax and exceptional items (5 - 6)	211.31	123.35	(105.01)	334.66	1,009.47	2,494.51
8 Exceptional Items (Refer note 4)	-	(230.43)	(105.01)	(230.43)	-	-
9 Profit / (Loss) from ordinary activities before tax (7 + 8)	211.31	(107.08)	(105.01)	104.23	1,009.47	2,494.51
10 Tax expense	52.40	(57.81)	66.54	(5.41)	290.79	2,494.51
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	158.91	(49.27)	(171.55)	109.64	808.68	2,494.51
12 Extraordinary Items	-	-	-	-	-	-
13 Net Profit / (Loss) for the period (11-12)	158.91	(49.27)	(171.55)	109.64	808.68	2,494.51
14 Paid-up equity share capital (Face value of the share: Rs.10/- per Equity share)	1,010.58	1,010.58	1,010.58	1,010.58	1,010.58	1,010.58
15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	63,634.44
16 Earning per Share (after extraordinary items) (Rs.) (not audited) (Basic and diluted)	1.57	(0.49)	(1.70)	1.08	8.90	24.68



Part I : Statement of Unaudited Consolidated Financial Results for the Quarter and Six months ended September 30, 2014

Particulars	(Rupee in lakhs except EPS and Shareholding Ratio)					
	Three months ended			Six months ended		Provisions
	30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	Year ended 31-Mar-14
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income from operations						
Net Sales / Income from Operations (Net of excise duty)	5,806.94	5,049.87	4,923.82	10,816.81	7,926.28	17,024.69
Other Operating Income	212.71	139.47	161.86	372.18	319.96	620.09
Total Income from operations (net)	6,019.65	5,189.34	5,085.68	11,188.99	8,246.24	17,644.09
2 Expenses						
a Cost of materials consumed	3,780.23	1,904.33	2,839.15	5,794.56	4,285.52	9,795.47
b Purchase of stock in trade	1,500.66	1,137.22	584.26	2,397.88	1,275.78	3,078.46
c Changes in inventories of finished goods, work-in-progress and stock in trade	(788.87)	380.56	179.82	(408.31)	(84.92)	(317.34)
d Employee benefits expense	454.14	433.40	380.76	887.54	759.14	1,373.53
e Depreciation and amortisation expenses (refer Note 3)	415.39	421.15	250.34	836.54	496.12	999.98
f Other expenses	765.91	909.82	746.40	1,675.73	1,796.20	3,008.11
Total expenses	5,897.46	5,246.46	4,990.83	11,133.94	8,977.84	18,138.22
3 Profit / (loss) from operations before other income, finance costs and exceptional items (1-2)	132.19	(77.14)	105.55	55.05	(331.60)	(493.52)
4 Other income/(loss)	504.54	414.24	(26.65)	918.78	1,297.59	2,685.11
5 Profit / (loss) from ordinary activities before finance costs and exceptional items (3+4)	636.73	337.10	77.09	973.83	965.99	2,191.59
6 Finance costs	336.90	272.59	92.32	609.49	181.73	341.77
7 Profit / (loss) from ordinary activities after finance costs, but before exceptional items (5-6)	299.83	64.51	(15.23)	364.34	784.26	1,849.82
8 Exceptional items (refer note 4)	-	(230.43)	-	(230.43)	-	-
9 Profit / (Loss) from ordinary activities before tax (7+8)	299.83	(165.92)	(15.23)	133.91	784.26	1,849.82
10 Tax expense / (Deferred tax credit)	41.37	(26.87)	113.55	14.70	294.08	198.94
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	258.46	(139.25)	(128.78)	119.21	490.26	1,650.88
12 Extraordinary items	-	-	-	-	-	-
13 Net Profit / (Loss) for the period (11 - 12)	258.46	(139.25)	(128.78)	119.21	490.26	1,650.88
14 Share of loss of associate	(11.79)	-	-	(11.79)	-	(0.01)
15 Minority interest	-	-	(31.33)	-	(210.89)	32.90
16 Net Profit / (Loss) after taxes, minority interest and share of loss of associate (13+14+15)	246.67	(139.25)	(97.45)	107.42	701.15	1,617.97
17 Paid-up equity share capital (Face value of the share Rs. 10/- per Equity share)	1,010.58	1,010.58	1,010.58	1,010.58	1,010.58	1,010.58
18 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	66,418.37
19 Earning Per Share (after extraordinary items) (Rs.) (net annualised) (Basic and diluted)	2.44	(1.38)	(0.96)	1.06	6.94	16.01



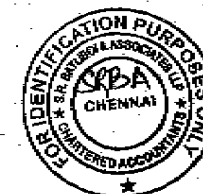
(Rupees in Lakhs except EPS and shareholding data)

	Particulars	Three months ended			Six months ended		Previous Year ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Particulars Of Shareholding						
1	Public Shareholding						
	Number of shares	36,19,452	36,20,652	34,99,052	36,19,452	34,99,052	36,20,652
	Percentage of shareholding	35.82	35.83	34.62	35.82	34.62	35.83
2	Promoters and Promoter Group Shareholding						
a	Pledged / Encumbered						
	Number of shares	-	-	-	-	-	-
	Percentage of shares	-	-	-	-	-	-
	(as a % of the total shareholding of the Promoter and Promoter group)	-	-	-	-	-	-
	(as a % of the total share capital of the Company)	-	-	-	-	-	-
b	Non - encumbered						
	Number of shares	64,86,388	64,85,188	66,06,788	64,86,388	66,06,788	64,85,188
	Percentage of shares	100.00	100.00	100.00	100.00	100.00	100.00
	(as a % of the total shareholding of the Promoter and Promoter group)	64.18	64.17	65.38	64.18	65.38	64.17
	(as a % of the total share capital of the Company)						

B	Information on investor complaints for the 3 months ended September 30, 2014	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	1
	Resolved during the quarter	1
	Remaining unresolved at the end of the quarter	NIL

Segment information for the standalone results

Particulars	Three months ended			Six months ended		Previous Year ended
	30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A) Segment Revenue						
-- Contract Manufacturing	79.74	175.82	327.61	255.56	857.87	1,301.11
-- Solar Energy Systems / Services	1,578.40	1,225.36	92.89	2,803.76	353.18	3,173.25
-- Others	152.66	161.84	152.04	314.50	301.70	607.77
Total revenue	1,810.80	1,563.02	572.54	3,373.82	1,512.75	5,082.13
B) Segment Results						
-- Contract Manufacturing	11.43	5.80	32.18	17.23	75.11	143.40
-- Solar Energy Systems / Services	(96.86)	(206.45)	(262.95)	(303.31)	(405.22)	(359.35)
-- Others	110.55	132.32	44.33	242.87	135.01	504.07
Other unallocable income	465.70	435.89	106.20	901.59	1,251.62	2,322.48
Exceptional items (refer note 4)	-	(230.43)	-	(230.43)	-	-
Finance charges	(279.51)	(244.21)	(24.77)	(523.72)	(47.05)	(116.09)
Profit/ (Loss) before tax	211.31	(107.08)	(105.01)	104.23	1,009.47	2,494.51
C) Capital Employed:						
(Segment asset less segment liability)						
-- Contract Manufacturing	1,046.89	1,609.54	1,663.36	1,046.89	1,663.36	1,072.78
-- Solar Energy Systems / Services	29,445.23	20,774.07	19,170.48	29,445.23	19,170.48	21,854.43
-- Others	2,162.74	2,199.86	42,873.37	2,162.74	42,873.37	2,415.01
-- Unallocable asset	32,099.80	40,012.27	316.07	32,099.80	316.07	39,302.80
Total	64,754.66	64,595.74	64,023.28	64,754.66	64,023.28	64,645.02



Segment information for the Consolidated results

Particulars	Three months ended				Six months ended		Previous Year ended
	30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
A) Segment Revenue							
-- Contract Manufacturing	79.74	175.82	327.61	255.56	857.87	1,301.11	
-- Solar Energy Systems / Services	4,247.74	4,540.50	3,210.28	8,788.24	5,066.32	12,754.16	
-- Foundry	1,808.19	1,517.58	1,993.28	3,325.77	3,693.79	7,182.17	
-- Others	250.60	189.84	165.53	440.44	321.59	624.02	
Total revenue	6,386.27	6,423.74	5,696.70	12,810.01	9,879.57	21,861.46	
Less: Intersegment revenue	(366.62)	(1,254.40)	(552.32)	(1,621.02)	(1,693.33)	(4,216.77)	
Total revenue from operations	6,019.65	5,169.34	5,004.38	11,188.99	8,246.24	17,644.69	
B) Segment Results							
-- Contract Manufacturing	11.43	5.89	32.18	17.23	75.11	143.40	
-- Solar Energy Systems / Services	(108.73)	(322.80)	(221.22)	(491.53)	(778.13)	(1,307.96)	
-- Foundry	202.24	130.18	152.06	332.42	247.69	732.85	
-- Others	90.76	132.32	40.32	223.08	135.02	473.67	
Exceptional item (refer note 4)	-	(220.43)	-	(230.43)	-	-	
Other unallocable income	441.03	391.60	73.75	832.63	1,286.30	2,149.63	
Finance charges	(336.90)	(272.59)	(92.32)	(609.49)	(181.73)	(341.77)	
Profit/(Loss) before tax	299.83	(165.91)	(15.23)	133.91	784.26	1,849.82	
C) Capital Employed: (Segment asset less segment liability)							
-- Contract Manufacturing	1,046.89	1,609.54	1,663.36	1,846.89	1,663.36	1,072.78	
-- Solar Energy Systems / Services	17,270.43	16,849.71	22,598.51	17,270.43	22,598.51	18,159.21	
-- Foundry	2,951.63	2,839.69	1,268.08	2,951.63	1,268.08	1,937.44	
-- Others	2,162.74	2,159.85	42,673.37	2,162.74	42,673.37	1,994.66	
-- Unallocable asset	45,087.46	44,421.20	316.07	45,087.46	316.07	44,939.12	
Total	68,519.15	67,919.99	68,519.39	68,519.15	68,519.39	68,103.21	

Notes:

- The above unaudited Stand-alone and Consolidated financial results of the Company for the quarter and six months ended September 30, 2014 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 07, 2014. The stand alone & consolidated financial results of the Company for the quarter and six months ended September 30, 2014 have been subjected to a Limited Review by the statutory auditors.
- 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 a 100% subsidiary of the Company, with effect from August 01, 2014.
- Effective from 1st April, 2014, the Company has revised the useful life of the 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. 31.11 Lakhs as on March 31, 2014 in respect of assets whose useful life is already exhausted have been charged to retained earnings. Had the Company followed useful lives as per the previous policy, depreciation for the quarter and six months ended September 30, 2014 would have been lower by Rs. 35.45 Lakhs and Rs. 82.89 Lakhs respectively.
- Exceptional item represents cost of land written off on account of defective title and for which the Company is pursuing a legal claim against certain individuals.
- Previous quarters/ year's figures have been regrouped/ reclassified wherever necessary to conform to the current period presentation.



6 Statement of Assets and Liabilities

(Rupees in Lakhs except EPS and shareholding data)

Particulars	Standalone		Consolidated	
	31-March-14 (Unaudited)	31-March-14 (Audited)	31-March-14 (Unaudited)	31-March-14 (Audited)
A. EQUITY AND LIABILITIES				
I. Shareholders' funds				
(a) Share capital - Equity/Shares	1,010.58	1,010.58	1,010.58	1,010.58
- Cumulative Redeemable Preference Shares	-	-	400.00	261.60
(b) Reserves and surplus	63,744.08	63,634.44	63,103.57	66,811.03
Sub-total - Shareholders' funds	64,754.66	64,645.02	64,114.15	67,821.61
II. Minority Interest	-	-	-	(500.00)
3. Non-current liabilities				
(a) Long-term borrowings	9,662.55	7,520.83	10,173.74	7,530.22
(b) Deferred tax liabilities (net)	1,217.06	1,222.47	1,521.83	1,507.29
(c) Other long-term liabilities	193.81	193.81	193.81	193.81
(d) Long-term provisions	8.00	8.00	206.89	171.51
Sub-total - Non-current liabilities	11,081.42	8,945.11	12,095.25	9,402.83
4. Current liabilities				
(a) Short-term borrowings	2,356.07	1,714.63	4,002.66	2,584.37
(b) Trade payables	3,108.07	407.27	5,672.46	4,735.94
(c) Other current liabilities	269.47	1,547.79	802.48	2,610.67
(d) Short-term provisions	37.93	1,101.10	329.03	1,385.90
Sub-total - Current liabilities	2,973.54	4,770.79	11,806.63	11,317.28
Total - Equity and Liabilities	76,809.62	78,360.92	91,024.03	88,323.32
B. ASSETS				
I. Non-current assets				
(a) Fixed assets	15,527.36	15,585.23	24,145.76	24,394.17
(b) Goodwill on consolidation	-	-	4,428.80	3,440.40
(c) Non-current investments	11,504.12	10,703.87	530.00	560.76
(d) Long-term loans and advances	5,170.30	4,491.80	2,240.22	2,125.89
(e) Other assets	65.95	5,635.28	65.95	5,639.78
Sub-total - Non-current assets	32,267.73	36,423.68	31,410.73	36,161.00
2. Current assets				
(a) Current investments	27,999.92	28,597.20	27,999.92	28,597.20
(b) Inventories	1,394.59	1,733.46	4,241.47	3,686.94
(c) Trade receivables	3,093.71	3,406.23	7,288.17	4,327.07
(d) Cash and cash equivalents	13,238.03	7,483.76	18,823.15	13,815.97
(e) Short-term loans and advances	330.18	352.79	1,346.06	1,351.58
(f) Other assets	605.40	362.80	574.53	383.56
Sub-total - Current assets	46,541.59	41,937.24	60,213.30	52,162.32
Total - Assets	78,809.32	78,360.92	91,624.03	88,323.32

By order of the Board

R. Chellappan
Managing DirectorPlace : Chennai
Date : November 07, 2014

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors
Swelect Energy Systems Limited

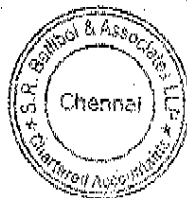
1. We have reviewed the accompanying statement of unaudited consolidated financial results of Swelect Energy Systems Group comprising Swelect Energy Systems Limited ('the Company') and its subsidiaries, joint ventures and associates (together, 'the Group'), for the quarter ended September 30, 2014. (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

Amal

per Subramanian Suresh
Partner
Membership No.: 083673

Place: Chennai
Date: November 7, 2014



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors
Swelect Energy Systems Limited

1. We have reviewed the accompanying statement of unaudited financial results of Swelect Energy Systems Limited ('the Company') for the quarter ended September 30, 2014 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants



per Subramanian Suresh
Partner
Membership No.: 083673

Place: Chennai
Date: November 7, 2014

