SWELECT ENERGY SYSTEMS LIMITED

Registered & Corporate Office: 'NUMERIC HOUSE' 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004.

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 30.06.2014

Part I : Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2014

(Rupees in lakhs except EPS and shareholding data)

	Particulars	Quarter ended			Year ended
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
		Un-Audited	Audited	Un-Audited	Audited
	Income from operations				
1	(a) Net Sales / Income from operations (Net of excise duty)	**1,401.18**	**2,844.20**	**790.55**	**4,476.38**
	(b) Other operating income	161.84	156.04	149.66	605.75
	Total income from operations (net)	**1,563.02**	**3,000.24**	**940.21**	**5,082.13**
2	**Expenses**				
	a Cost of materials consumed	186.98	1,000.55	543.37	2,073.47
	b Purchase of stock- in trade	214.46	1,866.10	26.68	2,003.94
	c Decrease / (increase) in inventories of finished goods, work-in-progress and stock in trade	659.69	(525.29)	48.27	(502.82)
	d Employee benefits expense	174.07	172.84	148.05	625.46
	e Depreciation and amortisation (refer Note 3)	194.99	116.32	108.00	446.23
	f Other expenditure	223.86	133.49	289.75	761.25
	Total expenses	**1,654.05**	**2,764.01**	**1,164.12**	**5,407.53**
3	**(Loss) / Profit from operations before other income, finance costs and exceptional items (1-2)**	**(91.03)**	**236.23**	**(223.91)**	**(325.40)**
4	Other Income	458.59	662.06	1,360.67	2,936.00
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)**	**367.56**	**898.29**	**1,136.76**	**2,610.60**
6	Finance costs	244.21	32.07	22.28	116.09
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)**	**123.35**	**866.22**	**1,114.48**	**2,494.51**
8	Exceptional items (refer note 4)	(230.43)	-	-	-
9	**(Loss) / Profit from ordinary activities before tax (7+8)**	**(107.08)**	**866.22**	**1,114.48**	**2,494.51**
10	(Deferred tax credit) / Tax expense	(57.81)	(231.13)	134.24	-
11	**(Loss) / Net Profit from ordinary activities after tax (9-10)**	**(49.27)**	**1,097.35**	**980.24**	**2,494.51**
12	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
13	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	63,634.44
14	Earnings per share (Rs.) (not annualised) (Basic and diluted)	(0.49)	10.86	9.70	24.68

SRB

SWELECT ENERGY SYSTEMS LIMITED

Registered & Corporate Office: 'NUMERIC HOUSE' 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004.

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 30.06.2014

Part I : Statement of Unaudited Consolidated Financial Results for the Quarter ended June 30, 2014

(Rupees in lakhs except EPS and shareholding data)

	Particulars	Quarter ended			Year ended
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
		Un-Audited	Audited	Un-Audited	Audited
	Income from operations				
1	(a) Net Sales / Income from operations (Net of excise duty)	**5,009.87**	**6,059.50**	**3,003.76**	**17,024.60**
	(b) Other operating income	159.47	156.51	158.10	620.09
	Total income from operations (net)	**5,169.34**	**6,216.01**	**3,161.86**	**17,644.69**
2	**Expenses**				
	a Cost of materials consumed	1,964.33	3,561.91	1,446.37	9,795.47
	b Purchase of stock in trade	1,137.22	1,557.10	691.42	3,078.46
	c Change in inventories of finished goods, work- in- progress and stock in trade	380.56	(382.36)	(214.74)	(517.34)
	d Employee benefits expense	433.40	365.13	379.82	1,573.53
	e Depreciation and amortisation (refer Note 3)	421.15	242.75	245.78	999.98
	f Other expenditure	909.82	805.62	1,048.36	3,208.11
	Total expenses	**5,246.48**	**6,150.15**	**3,597.01**	**18,138.21**
3	**(Loss) / Profit from operations before other income, finance costs and exceptional items (1-2)**	**(77.14)**	**65.86**	**(435.15)**	**(493.52)**
4	Other income	414.24	589.28	1,324.05	2,685.11
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)**	**337.10**	**655.14**	**888.90**	**2,191.59**
6	Finance costs	272.59	82.79	89.41	341.77
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)**	**64.51**	**572.35**	**799.49**	**1,849.82**
8	Exceptional items (refer note 4)	(230.43)	-	-	-
9	**(Loss) / Profit from ordinary activities before tax (7+8)**	**(165.92)**	**572.35**	**799.49**	**1,849.82**
10	(Deferred tax credit) / Tax expense	(26.67)	(181.00)	180.45	198.94
11	**(Loss) / Net Profit from ordinary activities after tax (9-10)**	**(139.25)**	**753.35**	**619.04**	**1,650.88**
12	Share of loss of associate	-	(0.01)	-	(0.01)
13	Minority interest	-	(342.00)	179.56	(32.90)
14	**(Loss) / Net Profit after taxes, minority interest and share of loss of associate (11 + 12 + 13)**	**(139.25)**	**411.34**	**798.60**	**1,617.97**
15	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
16	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	66,418.37
17	Earnings per share (Rs.) (not annualised) (Basic and diluted)	(1.38)	4.07	7.90	16.01

SRB

Part II : Select Information for the Quarter ended June 30, 2014

A	**Particulars of Shareholding**				
1	Public Shareholding				
	Number of shares	36,20,652	36,20,652	35,00,757	36,20,652
	Percentage of shareholding	35.83	35.83	34.64	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	64,85,188	64,85,188	66,05,083	64,85,188
	Percentage of shares				
	(as a % of the total shareholding of the Promoter and Promoter group)	100.00	100.00	100.00	100.00
	(as a % of the total share capital of the Company)	64.17	64.17	65.36	64.17

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

Segment information for the standalone results

Particulars	Quarter ended			Year ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
	Un-Audited	Audited	Un-Audited	Audited
A) Segment Revenue				
-- Contract Manufacturing	175.82	113.59	534.15	1,301.11
-- Solar Energy Systems / Services	1,225.36	2,728.60	256.40	3,173.25
-- Others	161.84	158.05	149.66	607.77
Total revenue	**1,563.02**	**3,000.24**	**940.21**	**5,082.13**
B) Segment Results				
-- Contract Manufacturing	5.80	31.54	25.76	143.40
-- Solar Energy Systems / Services	(206.45)	73.51	(327.65)	(359.35)
-- Others	132.32	134.17	130.66	504.07
Other unallocable income	435.89	659.07	1,307.99	2,322.48
Exceptional items (refer note 4)	(230.43)	-	-	-
Finance charges	(244.21)	(32.07)	(22.28)	(116.09)
(Loss) /Profit before tax	**(107.08)**	**866.22**	**1,114.48**	**2,494.51**
C) Capital Employed:				
(Segment asset less segment liability)				
-- Contract Manufacturing	1,609.54	1,072.78	1,368.41	1,072.78
-- Solar Energy Systems / Services	20,774.07	21,854.43	17,154.57	21,854.43
-- Others	2,199.86	2,415.01	2,422.87	2,415.01
--Unallocable asset	40,012.27	39,302.80	43,248.98	39,302.80
Total	**64,595.74**	**64,645.02**	**64,194.83**	**64,645.02**

SRB

Segment information for the Consolidated results

Particulars	Quarter ended			Year ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
	Un-Audited	Audited	Un-Audited	Audited
A) Segment Revenue				
-- Contract Manufacturing	175.82	113.59	527.58	1,301.11
-- Solar Energy Systems / Services	4,540.50	6,557.36	1,856.04	12,754.16
-- Foundry	1,517.58	1,845.21	1,700.51	7,182.17
-- Others	189.84	189.64	158.74	624.92
Total revenue	**6,423.74**	**8,705.80**	**4,242.87**	**21,861.46**
Less: Intersegment revenue	(1,254.40)	(2,489.79)	(1,081.01)	(4,216.77)
Total revenue from operations	**5,169.34**	**6,216.01**	**3,161.86**	**17,644.69**
B) Segment Results				
-- Contract Manufacturing	5.80	33.54	42.93	143.40
-- Solar Energy Systems / Services	(322.80)	(190.37)	(556.91)	(1,307.96)
-- Foundry	130.18	382.32	94.70	732.85
-- Others	132.32	177.86	95.63	473.67
Exceptional items (refer note 4)	(230.43)	-	-	-
Other unallocable income	391.60	283.79	1,212.55	2,149.63
Finance charges	(272.59)	(82.79)	(89.41)	(341.77)
(Loss)/ Profit before tax	**(165.92)**	**572.35**	**799.49**	**1,849.82**
C) Capital Employed:				
(Segment asset less segment liability)				
-- Contract Manufacturing	1,609.54	1,072.78	1,368.41	1,072.78
-- Solar Energy Systems / Services	16,849.71	18,159.21	17,651.79	18,159.21
-- Foundry	2,839.69	1,937.44	1,697.28	1,937.44
-- Others	2,199.85	1,994.66	2,045.73	1,994.66
--Unallocable asset	44,421.20	44,939.12	45,290.16	44,939.12
Total	67,919.99	68,103.21	68,053.37	68,103.21

Notes:

1 The above un-audited Stand-alone and Consolidated financial results of the Company for the quarter ended June 30, 2014 have been reviewed by the Audit Committee at the meeting held on August 06, 2014 and approved by the Board of Directors at their meeting held on August 07, 2014. The standalone & consolidated financial results of the Company for the quarter ended June 30, 2014 have been subjected to a Limited Review by the statutory auditors.

2 The Company acquired 51% of the equity share capital of HHV Solar Technologies Limited on August 01, 2014. The Company is currently holding 49% equity share in HHV Solar Technologies Limited and with the aforesaid acquisition of 51%, HHV Solar Technologies Limited will become a 100% subsidiary of the Company, with effect from August 01, 2014.

3 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. 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 ended June 30, 2014 would have been lower by Rs. 27.45 Lakhs.

4 Exceptional items represents cost of land written off on account of defective title and for which the Company is pursuing a legal claim against certain individuals.

5 Previous quarters/ year's figures have been regrouped/ reclassified wherever necessary to conform to the current period presentation.

By order of the Board

R. Chellappan
Managing Director

Place : Chennai
Date : August 07, 2014

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th & 7th Floor, "A" Block
Tidel Park, (Module 601, 701 & 702)
No. 4, Rajiv Gandhi Salai, Taramani
Chennai-600 113, India
Tel : +91 44 6654 8100
Fax : +91 44 2254 0120

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 Limited Group comprising Swelect Energy Systems Limited ('the Company') and its subsidiaries, joint ventures and associates (together, 'the Group'), for the quarter ended June 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 provide 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 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

per Subramanian Suresh
Partner
Membership No.: 083673

Place: Chennai
Date: August 07, 2014

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th & 7th Floor, "A" Block
Tidel Park, (Module 601, 701 & 702)
No. 4, Rajiv Gandhi Salai, Taramani
Chennai-600 113, India
Tel : +91 44 6654 8100
Fax : +91 44 2254 0120

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 June 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 provide 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 : August 07, 2014

S.R. Batliboi & Associates LLP Chennai Chartered Accountants