

INDEPENDENT AUDITOR'S REPORT

To the Members of Swelect Power Systems Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Swelect Power Systems Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies.

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements 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 Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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, 2017, its Loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;



S.K.RAM ASSOCIATES

Chartered Accountants
Old No. 57/2, New No. 103
P.S. Sivaswamy Salai, Mylapore
Chennai 600 004. INDIA
E-Mail: skram@md3.vsnl.net.in

Phone : (91) (44) 24993637
(91) (44) 24991644
(91) (44) 24980416

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure " to this report;
- (g) 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:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - The Company has provided requisite disclosures in Note 14 to these Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For S.K Ram Associates
Chartered Accountants
ICAI Firm Registration Number: 2842S



R Balaji
Membership Number: 202916
Place of Signature: Chennai
Date: May 22, 2017

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF Swelect Power Systems Private Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies
Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Swelect Power Systems Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the



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company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S K RAM ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 2842S


R Balaji

Membership Number: 202916

Place of Signature: Chennai

Date: May 22, 2017



SWELECT POWER SYSTEMS PRIVATE LIMITED**Balance Sheet as at 31 March 2017**

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Assets				
Non-current assets				
Capital work-in-progress		28,334,335	-	-
Financial assets				
Other Non-current assets	3	9,096,025	-	-
Total Non-current assets		37,430,360	-	-
Current assets				
Financial Assets				
Loans	4	102	-	-
Cash and cash equivalents	5	239,679	82,280	82,280
Total current assets		239,781	82,280	82,280
Total Assets		37,670,141	82,280	82,280
Equity and liabilities				
Equity				
Equity share capital	6	100,000	100,000	100,000
Other Equity	7	(283,540)	(41,281)	(34,656)
Total Equity		(183,540)	58,719	65,344
Current liabilities				
Financial Liabilities				
Borrowings	8	37,626,106	900	-
Trade payables	9	49,911	22,661	16,936
Other current liabilities	10	177,664	-	-
Total Liabilities		37,853,681	23,561	16,936
Total equity and liabilities		37,670,141	82,280	82,280

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 K Ram Associates

ICAI Firm's registration number: 2842S

Chartered Accountants

R Balaji

ICAI Membership no: 202916



Place: Chennai

Date: 22 May 2017

For and on behalf of the board of Directors

R. Chellappan

Director

DIN : 00016958

Place: Chennai

Date: 22 May 2017



A. Balan

Director

DIN : 00017091

Place: Chennai

Date: 22 May 2017

SWELECT POWER SYSTEMS PRIVATE LIMITED**Statement of profit and loss for the year ended 31 March 2017**

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

	Notes	31 March 2017	31 March 2016
Income			
Revenue from operations		-	-
Total revenue		-	-
Expenses			
Other expenses	11	212,268	6,625
Finance costs	12	29,991	-
Total expenses		242,259	6,625
Loss before tax		(242,259)	(6,625)
Tax expense		-	-
Loss for the year		(242,259)	(6,625)

Loss per share

Basic and Diluted, computed on the basis of profit from operations attributable to equity holders

(242.26) (6.63)

Statement 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 K Ram Associates

ICAI Firm's registration number: 2842S

Chartered Accountants




R Balaji
ICAI Membership no.: 202916

For and on behalf of the board of Directors





R. Chellappan
Director
DIN : 00016958

A. Balan
Director
DIN : 00017091

Place: Chennai
Date: 22 May 2017Place: Chennai
Date: 22 May 2017Place: Chennai
Date: 22 May 2017

SWELECT POWER SYSTEMS PRIVATE LIMITED**Cash flow statement for the year ended 31 March 2017**

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

	31 March 2017	31 March 2016
A. Cash flow from operating activities:		
Loss for the year	(242,259)	(6,625)
Adjustments to reconcile loss before tax to net cash flows:		
Interest expense	28,817	-
Operating loss before working capital changes	(213,442)	(6,625)
Movement in working capital:		
Decrease in other current liabilities	204,914	5,725
Decrease in current and Non current assets	-	-
Cash flow used in operating activities	(8,528)	(900)
Taxes paid	-	-
Net cash flow used in operating activities (A)	(8,528)	(900)
B. Cash flow from investing activities:		
Capital expenditure	(37,430,360)	-
Cash flow used in investing activities (B)	(37,430,360)	-
C. Cash flow from financing activities:		
Inter corporate borrowings	37,625,206	900
Loan to / (repayment received) from related parties	(102)	-
Proceeds from issuance of equity share capital	-	-
Interest paid	(28,817)	-
Net cash flow (used in) / generated from financing activities (C)	37,596,287	900
Net Increase / (decrease) in cash and cash equivalents (A + B + C)	157,399	-
Cash and cash equivalents at the beginning of the year	82,280	82,280
Closing cash and cash equivalents	239,679	82,280

Notes :

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

As per our report of even date

For S K Ram Associates
ICAI Firm's registration number 2842S
Chartered Accountants

R Balaji
ICAI Membership no. 202916

Place: Chennai
Date: 22 May 2017

For and on behalf of the board of Directors

R. Chellappan
Director
DIN : 00016958

A.Balan
Director
DIN : 00017091

Place: Chennai
Date: 22 May 2017

Place: Chennai
Date: 22 May 2017

SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2017

1. Corporate information:

SWELECT Power Systems Private Limited ('the Company') was incorporated as a Private Limited Company on 30 January 2012. The Company is primarily engaged to construct Solar Power Generation Plants and sell the generated power to Private or Government owned enterprises. The registered office of the company is located at Chennai.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 22, 2017.

2. Significant accounting policies:

2.1. Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. These standalone financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 15 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in INR.

Summary of significant accounting policies:

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



b. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Estimates include provision for employee benefits, provision for doubtful trade receivables/advances/contingencies, provision for warranties, allowance for slow/non-moving inventories, useful life of Fixed Assets, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The following specific recognition criteria must also be met before revenue is recognised:

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 Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and other customers. Such revenue is recognised on the basis of actual units generated and transmitted.

Revenue from power distribution business is accounted on the basis of billings to the customers and includes unbilled revenues accrued up to the end of accounting year. Customers are billed as per the tariff rates issued by Electricity Regulatory Commission. Interest is accounted on accrual basis on overdue bills.

d. Service Concession Arrangement

The Company constructs infrastructure used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time.

These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix A to Ind AS 11 - Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right (i.e. a franchisee) to charge users of the public service. The financial asset model is used when the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Company performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The Company manages concession arrangements which include constructing Solar power distribution assets for distribution of electricity. The Company maintains and services the infrastructure during the



concession period. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided.

The right to consideration gives rise to an intangible asset and financial receivable and accordingly, both the intangible asset and financial receivable models are applied. Income from the concession arrangements earned under the intangible asset model consists of the value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost.

Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

e. Taxes

Current income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current Tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. The carrying amount of MAT is reviewed at each reporting date and the asset is written down to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



Deferred tax relating to items recognised outside the Statement of profit and loss is recognised outside Statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

f. Employee Benefits

Defined Contribution Plan

Provident Fund

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 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 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.

Employee State Insurance

Contributions to Employees State Insurance Scheme are recognised as expense in the year in which the services are rendered.

Defined Benefit Plan

Gratuity

The Company makes annual contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined every year using the Projected Unit Credit method. Actuarial gains/losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. The defined benefit obligation recognised in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled.

Long Term Compensated Absences

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.



Short Term Employee Benefits

Short term employee benefits includes short term compensated absences which is recognized based on the eligible leave at credit on the Balance Sheet date, and the estimated cost is based on the terms of the employment contract.

g. Foreign Currency Transactions and Translations:

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate 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.

Treatment of 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.

h. 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.

i. Property, Plant and Equipment and intangible fixed assets

Tangible and intangible fixed assets are stated at original cost net of tax/duty credit availed, 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.



SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2017

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.

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.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it has become available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

j. 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
Solar Plant	25 years
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

k. Useful lives/depreciation rates

Considering the applicability of Schedule II, the management has estimated 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 life and residual values of fixed assets, though these rates in certain cases are different from the lives prescribed under schedule II.

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.



l. 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.

m. 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 capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

n. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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.

o. Provisions and Contingencies

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 recognized 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 recognize a contingent liability but discloses its existence in the financial statements.



p. Financial instruments:

(i) Financial Assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

• **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

• **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial



recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(ii) Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(iii) Offsetting of financial instruments:



SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2017

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

q. Fair value measurement

The Company measures specific financial instruments of certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes the accounting policy for fair value. Other fair value related disclosures are given in relevant notes.

r. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand including cheques on hand.



SWELECT POWER SYSTEMS PRIVATE LIMITEDNotes to Financial Statements for the year ended 31 March 2017

s. Cash dividend

The Company recognizes a liability to make cash, when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Dividends paid/payable are recognised in the year in which the related dividends are approved by the Shareholders or Board of Directors as appropriate.

t. Cash flow statement

Cash flows are presented using indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company is segregated based on the available information.



SWELECT POWER SYSTEMS PRIVATE LIMITED

Statement of Changes in Equity for the year ended 31 March 2017

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

a. Equity Share Capital

For the year ended March 31, 2017

Balance as at April 1, 2016	Changes in Equity Share Capital during the year (refer note 6)	Balance as at March 31, 2017
100,000	-	100,000

For the year ended March 31, 2016

Balance as at April 1, 2015	Changes in Equity Share Capital during the year (refer note 6)	Balance as at March 31, 2016
100,000	-	100,000

b. Other Equity

For the year ended March 31, 2017

Particulars	Reserves & Surplus	
	Retained earnings	Total Other Equity
As at 1 April 2016	(41,281)	(41,281)
Profit for the year	(242,259)	(242,259)
Other comprehensive income	-	-
Total comprehensive income	(283,540)	(283,540)
At 31 March 2017	(283,540)	(283,540)

For the year ended March 31, 2016

Particulars	Reserves & Surplus	
	Retained earnings	Total Other Equity
As at 1 April 2015	(34,656)	(34,656)
Profit for the year	(6,625)	(6,625)
Other comprehensive income	-	-
Total comprehensive income	(41,281)	(41,281)
Transfer to general reserve	-	-
At 31 March 2016	(41,281)	(41,281)

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 K Ram Associates

ICAI Firm's registration number: 2842S

Chartered Accountants

R Balaji

ICAI Membership no.: 202916



For and on behalf of the Board of Directors

R. Chellappan

Director

DIN : 00016958



A. Balan

Director

DIN : 00017091

Place: Chennai

Date: 22 May 2017

Place: Chennai

Date: 22 May 2017

Place: Chennai

Date: 22 May 2017

SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to Standalone financial statements for the year ended 31 March 2017

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

3 Other Non-current Assets

	31 March 2017	31 March 2016	01 April 2015
Unsecured, considered good:			
Capital advances	8,986,000	-	-
Security deposit	110,025		
Total non-current assets	9,096,025	-	-

Financial assets at Amortised cost

Loans (Secured considered good unless otherwise

4 stated)

Loans to related party	102	-	-
Total loans	102	-	-

5 Cash and cash equivalents

	31 March 2017	31 March 2016	01 April 2015
Balances with banks:			
On current accounts	239,679	-	-
Cash on hand	-	82,280	82,280
Total cash and other bank balances	239,679	82,280	82,280



SWELECT POWER SYSTEMS PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2017**

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

6 Share capital

Authorised Share Capital	Equity Shares of Rs 100/- each	
	No.	Rs.
At April 1, 2015	1,000	100,000
Increase/(Decrease) during the year	-	-
At March 31, 2016	1,000	100,000
Increase/(Decrease) during the year	-	-
At March 31, 2017	1,000	100,000

Equity Shares of Rs. 100/- each issued, subscribed & fully paid up	No.	Rs.
At April 1, 2015	1,000	100,000
Issue of Share Capital	-	-
At March 31, 2016	1,000	100,000
Issue of Share Capital	-	-
At March 31, 2017	1,000	100,000

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.100/- per share. Each holder of equity shares is entitled to one vote per share.

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.

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

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs.100/- each fully paid						
R.Chellappan	-	0%	500	50%	500	50%
A.Balan	-	0%	500	50%	500	50%
Swelect Energy Systems Limited	1,000	100%	-	0%	-	0%
Total	1,000	100%	1,000	100%	1,000	100%

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 ownership of shares.

7 Other Equity

	31 March 2017	31 March 2016	01 April 2015
Retained earnings	(283,540)	(41,281)	(34,656)
Total	(283,540)	(41,281)	(34,656)



SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

8 Borrowings**Financial Liabilities carried at amortised cost
(Current)**

	31 March 2017	31 March 2016	01 April 2015
Inter corporate borrowings	37,626,106	900	-
Total Current Borrowings	37,626,106	900	-
Unsecured borrowings	37,626,106	900	-

9 Trade payables

Trade payables

(Refer note below regarding dues to micro, small and medium enterprises)

	31 March 2017	31 March 2016	01 April 2015
Trade payables	49,911	22,661	16,936
	49,911	22,661	16,936

10 Other current liabilities

Statutory dues payables

	31 March 2017	31 March 2016	01 April 2015
Statutory dues payables	177,664	-	-
	177,664	-	-



SWELECT POWER SYSTEMS PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2017**

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

	31 March 2017	31 March 2016
11 Other expenses		
Rates and taxes	52,556	900
Legal and professional fees	19,775	-
Payment to auditor (Refer details below)	17,250	5,725
Rent	103,333	-
Miscellaneous expenses	19,354	-
	212,268	6,625

Payment to auditor**As auditor:**

Audit fee	17,250	5,725
	17,250	5,725

12 Finance costs

Interest on debts and borrowings	28,817	-
Bank and other charges	1,174	-
	29,991	-



SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

**13 Related party transactions
Names of related parties**

Holding company

Swelect Energy Systems Limited (w.e.f 11th April 2016)

Fellow Subsidiary

K J Solar Systems Private Limited

Key Management Personnel

R.Chellappan -Director
A.Balan - Director

Particulars	Swelect Energy Systems Limited			K J Solar Systems Private Limited			Total	
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	31 March 2017	1 April 2015
Loans and advances								
Advances / Loans given	-	-	-	102	-	-	102	-
Inter corporate loan borrowed	37,630,476	900	-	-	-	-	37,630,476	-
Inter corporate loan repaid	5,270	-	-	-	-	-	5,270	-
Balance outstanding as at the year end:								
Inter corporate borrowings								
Swelect Energy Systems Limited	37,626,106	900	-	-	-	-	37,626,106	-
K J Solar Systems Private Limited	-	-	-	102	-	-	102	-
Note:								
1. Interest paid to Holding Company of Rs.2,827,850 (2016-Nil) has been considered as part of Capital work-in-progress.								



SWELECT POWER SYSTEMS PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2017**

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

14 Disclosure related to Specified Bank Note (SBN)

Note below mentioned on the details of the the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016.

	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	22,000.00	157.00	22,157.00
(+) Permitted receipts	-	1,500.00	1,500.00
(-) Permitted payments	-	(657.00)	-657.00
(-) Amount deposited in Banks	(22,000.00)	(1,000.00)	(23,000.00)
Closing cash in hand as on 30th December, 2016	-	-	-

15 First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS.

Estimates

The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from fair value through profit and loss – Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.



SWELECT POWER SYSTEMS PRIVATE LIMITED

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

(i) Disclosures required by IND AS 101 - First Time Adoption of Indian Accounting Standards**Reconciliation of equity as at April 1, 2015 (date of transition to Ind AS)**

Particulars	Previous Indian GAAP	IND AS adjustments	Ind AS amounts
2. Current assets			
Financial Assets			-
-Cash & cash Equivalents	82,280	-	82,280
Total Current Assets	82,280	-	82,280
Total Assets	82,280	-	82,280
Equity and liabilities			
1. Equity			
Equity Share Capital	100,000	-	100,000
Other Equity	(34,656)	-	(34,656)
Total Equity	65,344	-	65,344
2. Current Liabilities			
Financial Liabilities			
-Borrowings	-	-	-
-Trade Payables	16,936	-	16,936
Total - Current liabilities	16,936	-	16,936
TOTAL - EQUITY AND LIABILITIES	82,280	-	82,280



SWELECT POWER SYSTEMS PRIVATE LIMITED

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

(ii) Disclosures required by IND AS 101 - First Time Adoption of Indian Accounting Standards**Reconciliation of equity as at April 1, 2016**

Particulars	Previous Indian GAAP	IND AS adjustments	Ind AS amounts
2. Current assets			
Financial Assets			-
-Cash & cash Equivalents	82,280	-	82,280
Total Current Assets	82,280	-	82,280
Total Assets	82,280	-	82,280
Equity and liabilities			
1. Equity			
Equity Share Capital	100,000	-	100,000
Other Equity	(41,281)	-	(41,281)
Total Equity	58,719	-	58,719
2. Current Liabilities			
Financial Liabilities			
-Borrowings	900	-	900
-Trade Payables	22,661	-	22,661
Total - Current liabilities	23,561	-	23,561
TOTAL - EQUITY AND LIABILITIES	82,280	-	82,280



SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

Reconciliation of profit or loss for the year ended March 31, 2016

Particulars	Previous Indian GAAP	IND AS adjustments	Ind AS amounts
Income	-	-	-
Total revenue	-	-	-
Expenses			
Other expenses	6,625	-	6,625
Total	6,625	-	6,625
(Loss) before tax	(6,625)	-	(6,625)
Income tax expense	-	-	-
Loss for the year	(6,625)	-	(6,625)



SWELECT POWER SYSTEMS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2017

(All amounts are in Indian Rupees , except for share data or as otherwise stated)

16 Capital and other commitments

a) The estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.354,764,680 (31 March 2016: Rs.Nil).

17 Previous year figures have been regrouped/reclassified, wherever necessary, to conform to the current year's classification. The figures of the previous year were audited by a firm of chartered accountants other than S K Ram Associates.

As per our report of even date

For S K Ram Associates

ICAI Firm's registration number: 2842S

Chartered Accountants



R Balaji

ICAI Membership No.: 202916



Place: Chennai

Date: 22 May 2017

For and on behalf of the board of Directors



R. Chellappan

Director

DIN : 00016958



Place: Chennai

Date: 22 May 2017



A. Balan

Director

DIN : 00017091

Place: Chennai

Date: 22 May 2017