

Auditor's Report On Quarterly Standalone and Consolidated Financial Results and Year to Date Results of Swelect Energy Systems Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Swelect Energy Systems Limited

1. We have audited the standalone and consolidated financial results of Swelect Energy Systems Limited ('the Company') and comprising its subsidiaries, (together 'the Group') for the quarter ended and year to date period ended March 31, 2016 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The standalone and consolidated financial results for the quarter ended March 31, 2016 are the derived figures between such audited figures in respect of the year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on the statement based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In respect of the consolidated financial results of the Group, we did not audit revenues of Rs. 1,964.69 lakhs and Rs.3,817.49 lakhs for the quarter and year to date period ended March 31, 2016 respectively, profit after tax of Rs. 113.61 lakhs and Rs 318.46 lakhs for the quarter and year to date period ended March 31, 2016 respectively and assets of Rs. 4,906.93 lakhs as at March 31 2016, pertaining to certain subsidiaries whose financial information have been audited by other auditors and whose reports have been furnished to us. Our conclusion on the consolidated financial results for the quarter and year to date period ended March 31, 2016, in so far as it relates to such subsidiaries is based solely on the reports of the other auditors.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

4. In our opinion and to the best of our information and according to the explanations given to us:

i. Consolidated financial results includes the results of the following entities :

Company	Relationship
Swelect Energy Systems Pte Ltd (SESL Pte)	Subsidiary
Amex Alloys Private Limited (AAPL)	Subsidiary
Amex Irons Private Limited (AIPL)	Subsidiary
HHV Solar Technologies Limited (HHVS)	Subsidiary
Swelect Green Energy Solutions Private Limited (SGESPL)	Subsidiary
Swelect Solar Energy Private Limited (SSEPL)	Subsidiary
Swelect Inc (S Inc)	Subsidiary
KJ Solar Systems Private Limited (KJSS)	Subsidiary of SSEPL
Noel Media & Advertising Private Limited	Subsidiary of SSEPL
Swelect Energy Systems Inc	Subsidiary of S Inc

ii. Statement is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

iii. Statement gives a true and fair view of the net profit and other financial information for the quarter ended March 31, 2016 and for the year to date period March 31, 2016.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Subramanian Suresh**

Partner

Membership Number: 083673


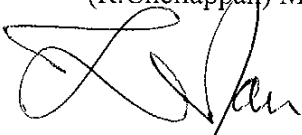
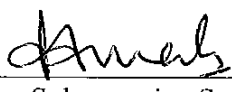

Place of Signature: Chennai

Date: May 27, 2016



FORM A

Stay powerful when sun shines. And thereafter...

1.	Name of the Company: CIN:	SWELECT ENERGY SYSTEMS LIMITED L93090TN1994PLC028578
2.	Annual financial statements for the year ended (Standalone and Consolidated)	31 st March 2016
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not applicable
5.	<p>To be signed by-</p> <p></p> <p>• (R.Chellappan) Managing Director</p> <p></p> <p>• (P.Jagan) Chief Financial Officer</p> <p></p> <p>• (per Subramanian Suresh, Partner S. Batliboi & Associates LLP) Auditor of the company, FRN: F01049W/E300004</p> <p></p> <p>• (V.M.Sivasubramaniam) Audit Committee Chairman</p>	

PLACE : CHENNAI

DATE : 27.05.2016

SWELECT ENERGY SYSTEMS LIMITED
Registered & Corporate Office: 'NUMERIC HOUSE', 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004.
Tel: +91 44 24993266 Fax: +91 44 24995179 Email: cg.irfd@swelectes.com Website: www.swelectes.com
CIN: L93090TN1994PLC028578

AUDITED FINANCIAL RESULTS (STANDALONE) FOR THE YEAR ENDED MARCH 31, 2016

Part I : Statement of Audited Standalone Financial Results for the Quarter and Year ended March 31, 2016

Sl. No	Particulars	(Rupees in Lakhs except EPS and shareholding data)			
		Quarter ended		Year ended	
		31-Mar-16 Audited	31-Dec-15 Unaudited	31-Mar-15 Audited	31-Mar-15 Audited
1	Income from operations (a) Net Sales / Income from Operations (Net of excise duty) (b) Other Operating Income Total income from operations (net)	1,727.11 105.96 1,833.07	2,313.44 97.84 2,411.28	671.02 151.86 823.48	5,597.96 528.27 6,126.23
2	Expenses a Cost of materials consumed b Purchase of stock- in- trade c Change in inventories of finished goods, work-in- progress and stock- in- trade d Employee benefits expense e Depreciation and amortisation f Other expenditure Total expenses	1,173.81 81.35 (220.56) 212.83 216.04 282.24 1,745.71	864.97 526.85 59.14 202.26 297.67 310.96 2,261.85	227.50 64.64 23.53 173.43 281.92 508.49 1,279.31	2,655.78 649.20 (141.24) 777.48 1,017.78 1,023.25 5,982.25
3	Profit / (loss) from operations before other income , finance costs and exceptional items (1 - 2)	87.36	149.43	(455.83)	143.98
4	Other Income	549.91	397.24	535.43	3,808.56
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	637.27	546.67	79.60	3,952.54
6	Finance costs	190.33	228.31	245.71	891.40
7	Profit/(loss) from ordinary activities before exceptional items and tax (5 - 6)	446.94	318.36	(166.11)	3,061.14
8	Exceptional items (Refer note 2)	51.67	-	27.31	81.67
9	Profit/(loss) from ordinary activities before tax (7 + 8)	498.61	318.36	(138.80)	3,142.81
10	Tax expense / (Deferred tax credit)	2.04	110.18	111.21	917.15
11	Net Profit/(loss) for the period (9-10)	496.57	208.18	(250.01)	2,225.66
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				65,202.43
14	Earnings per share (Rs.) (not annualised) (Basic and diluted)	4.91	2.06	(2.47)	22.02
					63,463.30
					1.32



SWELECT ENERGY SYSTEMS LIMITED
Registered & Corporate Office: 'NUMERIC HOUSE' 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004.
Tel. +91 44 24993266 Fax: +91 44 24995179 Email: cg.ird@swelectes.com Website: www.swelectes.com
CIN: L93090TN1994PLC028578

AUDITED FINANCIAL RESULTS (CONSOLIDATED) FOR THE YEAR ENDED MARCH 31, 2016

Part I : Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2016

Sl. No	Particulars	Quarter ended				Year ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16
		AUDITED	Unaudited	Audited	Audited	Audited	Audited
1	Income from operations (a) Net Sales / Income from Operations (Net of excise duty) (b) Other Operating Income Total income from operations (net)	6,874.61 82.62 6,957.23	6,289.28 103.13 6,392.41	5,819.35 177.86 5,997.21	20,102.71 531.93 20,634.64	21,403.23 781.36 22,184.59	
2	Expenses a Cost of materials consumed b Purchase of stock-in-trade c Change in inventories of finished goods, work-in-progress and stock-in-trade d Employee benefits expense e Depreciation and amortisation f Other expenditure Total expenses	2,316.36 3,570.42 (456.01) 554.36 411.22 700.65 7,097.00	1,356.54 2,746.57 314.37 531.04 464.92 829.68 6,243.12	3,530.25 682.26 341.14 510.14 405.24 1,177.67 6,646.70	5,550.09 9,104.74 (749.52) 2,088.22 1,739.70 3,120.07 20,853.30	12,351.08 3,228.02 395.71 1,824.26 1,693.08 3,733.63 23,225.78	
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(139.77)	149.29	(649.49)	(218.66)	(1,041.19)	
4	Other Income	459.16	309.50	826.74	3,514.96	2,678.21	
5	Profit / (Loss) from operations before finance costs and exceptional items (3 + 4)	319.39	458.79	177.25	3,296.30	1,637.02	
6	Finance costs	235.65	263.48	270.04	1,065.46	1,205.30	
7	Profit/(loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	83.74	190.31	(92.79)	2,230.84	431.72	
8	Exceptional items (Refer note 2)	-	-	27.31	30.00	(203.12)	
9	Profit/(loss) from ordinary activities before tax (7 + 8)	83.74	190.31	(65.48)	2,260.84	228.60	
10	Tax expense / (Deferred tax credit)	(17.94)	122.82	149.23	938.62	254.34	
11	Net Profit/(loss) for the period (9-10)	101.68	67.49	(214.71)	1,322.22	(25.74)	
12	Share of profit / (loss) of associate	-	-	-	-	(11.79)	
13	Net profit/ (loss) after taxes and share of loss of associate (11-12)	101.68	67.49	(214.71)	1,322.22	(37.53)	
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	
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	67,741.31	66,381.85	
16	Earnings per share (Rs.) (not annualised) (Basic and diluted)	1.01	0.67	(2.12)	13.08	(0.37)	



Handwritten signature

Handwritten signature

B	Information on investor complaints for the quarter ended March 31, 2016	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

Segment information for standalone results

Sl. No	Particulars	(Rupees in Lakhs)			
		Quarter ended		Year ended	
		31-Mar-16 Audited	31-Dec-15 Unaudited	31-Mar-15 Audited	31-Mar-15 Audited
A.	Segment Revenue				
	-- Contract Manufacturing	131.33	111.22	107.62	335.04
	-- Solar Energy Systems / Services	1,603.61	2,209.29	582.23	5,298.29
	-- Others	98.13	90.77	133.63	492.90
	Total revenue	1,833.07	2,411.28	823.48	6,126.23
B.	Segment Results				
	Continuing operations				
	-- Contract Manufacturing	17.75	10.43	35.50	34.32
	-- Solar Energy Systems / Services	258.87	231.18	(61.71)	457.57
	-- Others	78.52	75.99	(165.36)	411.82
		355.14	317.60	(191.57)	903.71
	Exceptional items (Refer note 2)	51.67	27.31	27.31	81.67
	Other unallocable income	282.13	229.07	271.17	3,048.83
	Finance charges	(190.33)	(228.31)	(245.71)	(891.40)
	Profit/(Loss) before tax	498.61	318.36	(138.80)	3,142.81
C.	Capital employed				
	(Segment Assets less Segment Liabilities)				
	-- Contract Manufacturing	472.12	845.73	976.62	472.12
	-- Solar Energy Systems / Services	16,105.88	25,013.35	26,317.87	16,105.88
	-- Others	6,168.55	6,390.84	34,959.97	6,168.55
	--Unallocable Asset	43,466.47	33,928.05	2,219.42	43,466.47
	Total	66,213.02	66,177.97	64,473.88	66,213.02



Handwritten signature

Handwritten signature

Segment information for the consolidated results

Sl. No	Particulars	Quarter Ended		Year ended	
		31-Mar-16	31-Dec-15	31-Mar-16	31-Mar-15
		Audited	Unaudited	Audited	Audited
A.	Segment Revenue				
	Continuing operations				
	-- Contract Manufacturing	131.33	111.20	106.61	427.95
	-- Solar Energy Systems / Services	8,025.74	5,831.83	4,811.15	16,496.45
	-- Foundry	1,592.34	1,861.56	1,667.61	7,063.59
	-- Others	120.34	129.89	195.46	898.71
	Total revenue	9,869.75	7,934.48	6,780.83	24,888.70
	less: Inter-segment revenue	(2,912.52)	(1,542.07)	(783.62)	(2,704.11)
	Total revenue from operations	6,957.23	6,392.41	5,997.21	22,184.59
B.	Segment Results				
	Continuing operations				
	-- Contract Manufacturing	17.75	10.43	35.50	59.54
	-- Solar Energy Systems / Services	50.12	97.93	(121.82)	(1,057.07)
	-- Foundry	(116.96)	139.97	(137.77)	271.76
	-- Others	173.74	72.09	(163.36)	199.11
	Exceptional items (Refer note 2)	-	-	27.31	(203.12)
	Other unallocable income	194.74	141.47	566.70	2,163.68
	Finance charges	(235.65)	(271.58)	(270.04)	(1,203.30)
	Profit/(Loss) before tax	83.74	190.31	(65.48)	228.60
C.	Capital employed				
	(Segment Assets less Segment Liabilities)				
	-- Contract Manufacturing	472.12	845.73	976.62	976.62
	-- Solar Energy Systems / Services	25,852.97	32,767.98	23,357.90	23,357.90
	-- Foundry	956.50	1,275.58	1,987.49	1,987.49
	-- Others	6,168.55	6,390.84	1,939.13	1,939.13
	-- Unallocable asset	35,703.61	28,230.75	39,938.67	39,938.67
	Total	69,153.75	69,510.88	69,153.75	68,199.81



Handwritten signature

Statement of assets and liabilities

Sl. No	Particulars	Standalone		Consolidated	
		As at		As at	
		31-Mar-16 Audited	31-Mar-15 Audited	31-Mar-16 Audited	31-Mar-15 Audited
A	EQUITY AND LIABILITIES				
1.	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
	(b) Reserves and surplus	65,202.43	63,463.30	68,143.17	66,789.23
	Sub-total - Shareholders' funds	66,213.01	64,473.88	69,153.75	68,199.81
2.	Minority Interest				
3.	Non-current liabilities				
	(a) Long-term borrowings	3,572.47	8,911.30	5,062.44	9,473.84
	(b) Deferred tax liabilities (net)	178.61	1,384.44	555.54	1,761.38
	(c) Other long-term liabilities	1,406.04	61.44	1,406.04	61.44
	(d) Long-term provision	74.00	8.00	340.11	227.01
	Sub-total - Non-Current liabilities	5,231.12	10,365.18	7,364.13	11,523.67
4.	Current liabilities				
	(a) Short-term borrowings	606.83	799.42	6,052.23	2,802.21
	(b) Trade payables	594.61	250.44	4,665.43	4,267.91
	(c) Other current liabilities	1,242.87	2,338.51	2,539.49	2,932.91
	(d) Short-term provisions	183.91	349.59	297.48	373.54
	Sub-total - Current liabilities	2,628.22	3,737.96	13,554.63	10,376.57
	Total - EQUITY AND LIABILITIES	74,072.35	78,577.02	90,072.51	90,100.05
B	ASSETS				
1.	Non-Current assets				
	(a) Tangible and Intangible (Including Capital work-in-progress)	13,804.50	16,819.56	32,899.57	26,227.12
	(b) Goodwill on consolidation			4,493.77	4,428.80
	(c) Non-Current investments	18,371.65	11,479.12	530.35	530.00
	(d) Long-term loans and advances	6,896.05	8,286.56	886.01	3,098.22
	(e) Other non-current assets	706.58	141.31	1,515.67	140.57
	Sub-total - Non - current assets	39,778.78	36,726.55	40,325.37	34,424.71
2.	Current assets				
	(a) Current investments	23,722.06	25,174.26	23,722.06	25,174.26
	(b) Inventories	1,174.93	1,174.59	4,220.76	3,441.84
	(c) Trade receivables	2,193.67	2,242.59	7,044.18	5,524.10
	(d) Cash and cash equivalents	1,512.80	4,994.94	8,173.92	12,367.14
	(e) Short-term loans and advances	464.24	224.76	1,098.56	1,087.12
	(f) Other assets	5,225.87	8,039.33	5,487.66	8,080.88
	Sub-total - Current assets	34,293.57	41,850.47	49,747.14	55,675.34
	Total - ASSETS	74,072.35	78,577.02	90,072.51	90,100.05



Handwritten signature or initials.

Notes

- 1 The above Stand-alone and Consolidated Audited Financial results of the Company for the year ended March 31, 2016, were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 27, 2016. The standalone and consolidated figures for the quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2016 and March 31, 2015 respectively and the unaudited published year to date figures upto December 31, 2015 and December 31, 2014 respectively, being the end of the third quarter of the respective financial years, which was subject to a limited review.
- 2 The standalone financial results incorporates the effect of transfer as a going concern on slump exchange basis, the 12 MW solar power undertaking at Vellakoil to M/s Sweet Green Energy Solutions Private Limited, a wholly owned subsidiary of the Company for an aggregate consideration of Rs.6,300 lakhs, settled by issue of compulsory convertible debentures of the subsidiary and disclosed as non-current investment in the statement of standalone assets and liabilities. The carrying value of net assets transferred is Rs.6,249 lakhs and profit recognised of Rs.51.67 lakhs has been disclosed as an exceptional item for the quarter ended March 31, 2016. Further, the standalone and consolidated financial results for the year ended March 31, 2016 include an exceptional item amount of Rs.30 lakhs recovered against cost of land written off during the year ended March 31, 2015 of Rs.203.12 lakhs (net off Rs.27.31 lakhs) on account of defective title and for which the company is pursuing a legal claim against certain individuals.
- 3 The Board of Directors of the Company at its meeting held on 16 December 2015 approved a Scheme of Arrangement ("the Scheme") enabling the merger of one of its subsidiary, namely HHV Solar Technologies Limited ("HHV") with the Company, with effect from 1st April 2015 ("Appointed Date"). The Scheme of Arrangement has been approved by the respective shareholders of subsidiary and the creditors of both the Companies. Pending approval of the scheme of amalgamation by the Hon'ble High Court of Madras and such other statutory / regulatory authority, the scheme has not been given effect to in the standalone financial results. The consolidated financial results appropriately incorporate the results of HHV.
- 4 The following schemes of amalgamation between subsidiaries of the Company do not have / are not likely to have any material effect on the consolidated financial results:
 - a) The Scheme of Amalgamation between Noel Media & Advertising Private Limited, a step down subsidiary of the Company and its step down subsidiary BS Powertech Solutions Private Limited. This was approved by Hon'ble High Court of Madras vide its order dated January 08, 2016, with retrospective effect from April 1, 2012.
 - b) The Scheme of Amalgamation between Amex Irons Private Limited and Amex Alloys Private Limited, subsidiaries of the Company. This scheme enables merger of the subsidiaries with effect from April 1, 2015 and has been approved by the respective shareholders of both the companies and the creditors of the subsidiary. The scheme of amalgamation is yet to be approved by the Hon'ble High Court of Madras and such other statutory regulatory authorities.
- 5 The board of directors had declared an interim dividend of Rs.3 per share (30%) on March 14, 2016 and have recommended a Final equity dividend of Rs. 1 per share (10%) for the year ended March 31, 2016, subject to approval of shareholders in the ensuing annual general meeting.
- 6 Previous quarters/ year's figures have been regrouped/ reclassified wherever necessary to conform to the current period presentation.

Place: Chennai
Date: May 27, 2016

For and on behalf of the Board

R. Chellappan
Managing Director

