

AUDITED ANNUAL ACCOUNTS

OF

SE SOLAR LIMITED

F. Y. 2016-2017

***SNK* & Co.**

CHARTERED ACCOUNTANTS

Independent Auditors' Report**To****The Members of SE Solar Limited****Report on Financial Statements**

1. We have audited the accompanying Financial Statements of **SE Solar Limited** (the 'Company') which comprise the Balance-sheet as at 31st March, 2017, Statement of Profit and Loss, the statement of Change in Equity and the Cash flow Statement for the year then ended and a summary of Significant Accounting Policies and Other Explanatory Information.

Management's Responsibility for the Financial Statements

2. 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 and presentation of these Financial Statements that give a true and fair view of the Financial Position, financial performance and Cash flows of the Company in accordance with the Accounting Principles generally accepted in India including the Accounting Standards specified under section 133 of The Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to Fraud or Error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these 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 there under.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2017 and its loss, change in equity and its cash flows for the year ended on that date.

Report of the Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, and according to information and explanation provided to us, we give in the Annexure - A, a statement on the matters specified in the paragraph 3 and 4 of the Order to the extent applicable.



6. As required by Section 143(3) of the Act, we report that,

- i. 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;
- ii. 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;
- iii. The Balance Sheet, the Statement of Profit & Loss, the statement of Changes in Equity and the Cash Flow dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- v. On the basis of the written representations received from the directors, as on 31st March 2017 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017 from being appointed as a director in terms of section 164(2) of the Act;
- vi. 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 report in Annexure – B; and
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The company does not have any pending litigations which affects its financial position.
 - ii. The company did not have any long term contracts including derivative contract for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to the holdings as well as dealings in the Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on the audit procedures and relying on the management representation, we report that the disclosures are in accordance with



the books of account maintained by the Company and as produced to us by the management.

For SNK & Co.

ICAI Firm registration no.:109176W

Chartered Accountants

M D Gandhi

Mihir D. Gandhi

Partner

Membership No.125394

Place: *Pune*

Date: **10 AUG 2017**



ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

i. (Referred to in our Report of even date an annexure on the matters specified in paragraphs 3 and 4 of the CARO on the Statements of Accounts of **SE Solar Limited** as at and for the year ended March 31, 2017).

ii. In respect of its fixed assets:

- a) As per the information and explanation provided to us, the company has maintained proper records showing full particulars including the quantitative details and situation of fixed assets.
- b) As per information and explanation provided to us, the company has physically verified all its fixed assets and no material discrepancies were noticed on such verification. In our opinion, the process of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- c) The title deeds of immovable properties are held in the name of the company.

iii. In respect of its inventories:

The Company does not have any Inventory. Hence Clause 3(ii) of the Companies (Auditors Report) Order, 2016 is not applicable to the company and hence not commented upon.

iv. In respect of loans (secured or unsecured) granted

According to the information and explanations given to us, the Company has not granted or any loans, secured unsecured to companies, Firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the Clause 3(iii) (a), (b), (c) of the Companies (Auditors Report) Order, 2016, is not applicable to the company.

v. In respect of Loans, Investments, guarantees and security :

According to the information and explanation given to us, the Company has not advanced loans to Directors /to a company, in which the Director is interested to which provision of Section 185 of the Companies Act, 2013 apply and hence the provision of Section 185 is not applicable.



The company has not advance any loan, guarantee and has not made any investments and hence the provision of Section 186 of Companies Act, 2013 is not applicable.

vi. In respect of Deposits:

According to the information and explanation given to us, the Company has not accepted any deposits. Therefore, the provision of Clause 3(v) of the CARO 2016 is not applicable to the Company.

vii. In respect of Cost Records:

According to the information and explanation given to us, the Central Government has not prescribed for the maintenance of Cost records under Section 148 of the Companies Act, 2013 and accordingly Clause 3(vi) of the Companies (Auditors Report) Order, 2016, is not applicable to the company.

viii. In respect of statutory dues:

- a) According to information and explanations given to us and on the basis of our examination of the books of accounts, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Income tax, service tax and any other statutory dues with the appropriate authorities.

According to the information and explanation given to us, there were no outstanding statutory dues as at March 31, 2017 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, other material statutory dues and cess payable on account of any dispute.

ix. In respect of in repayment of financial dues:

Based on our audit procedures and as per the information and explanations given by the management, the Company has not taken any loan from Financial Institution, or banks or Government. Accordingly Clause 3(viii) of the Companies (Auditors Report) Order, 2016, is not applicable to the company.

x. In respect to end use of funds :

According to the information and explanations given by the Management, the company has not raised money by way of initial public offer or further public offer (including debt instruments). The company has



not taken any term loans and accordingly Clause 3(ix) of CARO is not applicable to the Company.

xi. In respect of fraud:

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

xii. In respect of Managerial Remuneration :

Based on the information and explanations given to us by the management, no managerial remuneration is paid or provided by the company. Accordingly, Clause 3(xi) of the Order is not applicable.

xiii. In respect of Nidhi Company :

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Clause 3(xii) of the Order is not applicable.

xiv. In respect of related party transactions :

According to the information and explanations given by the management and based on our audit procedure, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in notes to the financial statements as required by the applicable accounting standards.

xv. In respect of Allotment of shares/debentures :

According to the information and explanations given by the management and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year and has made compliance of provision of Section 42 of the Companies Act, 2013 and amount raised have been used for the purposes for which the funds were raised.

xvi. In respect of Non – cash transactions :

According to the information and explanations given by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



xvii. In respect of NBFC :

According to information and explanation given by the management, the provision of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company, hence clause 3(xvi) of the order is not applicable.

For SNK & Co.

ICAI Firm registration no.:109176W

Chartered Accountants

M D Gandhi

Mihir D. Gandhi

Partner

Membership No.125394

Place: *Pune*

Date: **10 AUG 2017**



ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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 **SE Solar Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone 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 ('ICAI'). 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 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.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 judgment, 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 Company's 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 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 un-authorised 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 31 March 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 SNK & Co.

ICAI Firm registration no.:109176W

Chartered Accountants



Mihir D. Gandhi

Partner

Membership No.125394



Place: Pune

Date: **10 AUG 2017**

SE SOLAR LIMITED

Balance Sheet as at March 31, 2017

		Rs. in millions		
	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I. ASSETS				
Non-current assets				
Property, plant and equipment	4	465.62	267.18	-
Capital work in progress	4	3,306.01	8.43	-
Deferred tax assets (net)	5	2.46	-	-
Other non-current assets	6	284.10	297.63	0.02
Total non-current assets		4,058.18	573.23	0.02
Current assets				
Inventories				
Financial Assets				
i. Cash and cash equivalents	7	1.40	3.54	0.11
ii. Others	8	61.55	-	-
Total current assets		62.94	3.54	0.11
Total assets		4,121.13	576.77	0.14
II. EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	9	35.86	10.27	9.97
Other Equity	9	1,066.41	290.04	(10.52)
Total equity		1,102.26	300.31	(0.55)
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	10	430.00	-	-
Total non-current liabilities		430.00	-	-
Current liabilities				
Financial Liabilities				
i. Borrowings	11	-	0.73	0.66
ii. Trade payables	12	35.62	8.54	0.02
Other current liabilities	13	2,553.25	267.19	0.01
Total current liabilities		2,588.86	276.46	0.69
Total Equity and Liabilities		4,121.13	576.77	0.14

The accompanying notes form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For SNK & Co.

Firm Registration Number: 109176W

Chartered Accountants



Mihir D. Gandhi

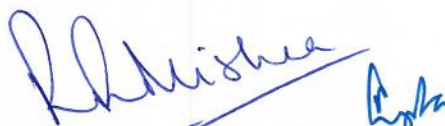
Partner

Membership No : 125394



For and on behalf of the Board of Directors

SE Solar Limited



Rajiv Mishra

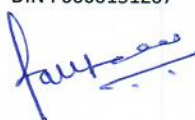
Director

DIN : 0000131207

Pawan Gupta

Director

DIN : 0007700845



Sanjeev Sharma

Company Secretary

Place : Mumbai

Date :

Place : Pune

Date :

10 AUG 2017

10 AUG 2017

SE SOLAR LIMITED

Statement of Profit and Loss for the year ended on March 31, 2017

		Rs. in millions	
	Notes	Year ended March 31, 2017	Year ended March 31, 2016
I Revenue from operations		-	-
II Other Income		0.64	0.00
III Total Income	(I+II)	0.64	0.00
IV EXPENSES			
Employee Benefits Expenses	15	5.30	-
Other expenses	16	28.08	0.16
Finance Costs	17	0.01	0.07
Total Expenses	(IV)	33.39	0.24
V Profit before tax	(III-IV)	(32.75)	(0.24)
VI Tax Expenses :			
Current Tax	18	-	-
Deferred Tax expense/ (saving)	19	(2.46)	-
Total tax expense		(2.46)	-
VII Profit for the year	(V-VI)	(30.30)	(0.24)
VIII Other comprehensive income for the year, net of tax		-	-
IX Total comprehensive income for the year	(VII+VIII)	(30.30)	(0.24)
X Earnings per Equity Share (Nominal value per share Rs 10/- each)	20		
Basic (Rs.)		(10.28)	(0.23)
Diluted (Rs.)		(10.28)	(0.23)
(Refer note no-17)			

The accompanying notes form an integral part of these financial statements

This is the Profit and Loss Account referred to in our report of even date.

For SNK & Co.

Firm Registration Number: 109176W

Chartered Accountants



Mihir D. Gandhi

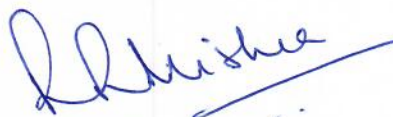
Partner

Membership No : 125394



Place : Pune

Date : 10 AUG 2017

For and on behalf of the Board of Directors
SE Solar Limited


Rajiv Mishra

Director

DIN : 0000131207



Sanjeev Sharma

Company Secretary



Pawan Gupta

Director

DIN : 0007700845

Place : Mumbai

Date : 10 AUG 2017

SE SOLAR LIMITED

Statement of Change in Equity for the year ended on March 31, 2017

9 (A) EQUITY SHARE CAPITAL

For the year ended on March 31, 2016

Balance as at 01.04.2015	Change in Equity share capital during the year	Rs. in millions Balance as at 31.03.2016
9.97	0.30	10.27

For the year ended on March 31, 2017

Balance as at 01.04.2016	Change in Equity share capital during the year	Rs. in millions Balance as at 31.03.2017
10.27	25.59	35.86

9 (B) OTHER EQUITY

For the year ended on March 31, 2016

Particulars	Retained earning	Securities Premium Reserve	Equity Contribution (Corporate Guarantee)	Rs. in millions Total Equity
Balance as at 01.04.2015	(19.99)	9.47	-	(10.52)
Profit / (Loss) for the year	(0.24)	-	-	(0.24)
Addition during the year	-	300.80	-	300.80
Balance as at 31.03.2016	(20.23)	310.27	-	290.04

For the year ended on March 31, 2017

Particulars	Retained earning	Securities Premium Reserve	Equity Contribution (Corporate Guarantee)	Rs. in millions Total Equity
Balance as at 01.04.2016	(20.23)	310.27	-	290.04
Profit / (Loss) for the year	(30.30)	-	-	(30.30)
Addition during the year	-	724.10	82.56	806.66
Balance as at 31.03.2017	(50.52)	1,034.37	82.56	1,066.41

As per our report attached

For SNK & Co.
Firm Registration Number: 109176W
Chartered Accountants

Mihir D. Gandhi

Mihir D. Gandhi
Partner
Membership No : 125394



For and on behalf of the Board of Directors
SE Solar Limited

Rajiv Mishra

Rajiv Mishra
Director
DIN : 0000131207

Sanjeev Sharma

Sanjeev Sharma
Company Secretary

Pawan Gupta

Pawan Gupta
Director
DIN : 0007700845

Place : Pune

Date : 10 AUG 2017

Place : Mumbai

Date : 10 AUG 2017

Notes accompanying to the financial statements

Note

No.

1 Corporate Information

SE Solar Limited having CIN U40108PN2008PLC131668 is engaged in the Solar Energy Power Plant Development and Sale of Solar Power Energy. The company was incorporated on 25th of March, 2008. The Company has started to set up 100 MW solar photovoltaic electric generating power plant, to be located at Veltoor Site, District Mahbubnagar, State Telangana.

2 Basis of preparation

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2015. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

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

The financial statements have been prepared on a historical cost basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the provision of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current assets classification of assets and liabilities.

3 Significant accounting policies**Property, plant and equipments -**

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Internally manufactured property, plant and equipment are capitalised at factory cost, including excise duty, wherever applicable.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Property, plant and equipment are eliminated from financial statement, either on disposal or when no future economic benefits are expected from its use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on the property, plant and equipment is provided over the useful life of assets. The Company has used the following useful lives to provide depreciation on its tangible assets -

Type of assets	Useful Lives (In Years)
Solar Energy Systems	22

Impairment of non-financial assets -

Non-financial assets that have indefinite useful lives are not subject to amortisation. They are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and, in any case, at least annually. Non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested annually for impairment.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Goodwill arising from a business combination is allocated to cash generating units that are expected to benefit from the synergies of the combination. An impairment loss is recognised for the amount by which the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of the fair value of an asset or a cash generating unit less costs of disposal and its value in use.

An impairment loss recognised in prior years for an asset other than goodwill is reversed when there is a favourable change in the estimates used to determine the recoverable amount of an asset. A reversal of the impairment loss is limited to the asset's carrying amount (net of accumulated amortisation or depreciation) that would have been determined had no impairment loss been recognised in prior years.

Cash and cash equivalents -

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



Foreign Currency transactions -

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

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

Revenue recognition -

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, trade allowances, rebates and value added taxes if applicable.

Revenue from sale of electricity is recognized in accordance with the Power Purchase Agreement ('PPA') entered into with respective customers. Amounts accrued under the terms of the PPA which are invoiced subsequent to year end on reconciliation/actualization basis are disclosed as unbilled revenue and are included under other current assets in the consolidated balance sheet.

Delayed Payment Charges are recognized when the recovery is reasonably certain.

Interest Income is recognized on accrual basis.

Income Taxes -

Tax expense for the year comprising current tax and deferred tax is included while determining the net profit for the year of the Company.

Current tax is determined based on the liability computed in accordance with relevant tax rates and tax laws. Deferred tax is recognized for all temporary differences arising between taxable income and accounting income based on the tax rates and laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax Assets (including MAT credit) are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a reasonable certainty of realization of such assets.

Earning per share -

The earnings considered in ascertaining the EPS comprises of the net profit after tax attributable to equity shareholders of the Company. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effect of potential dilutive equity shares.

Financial instruments -

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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.

Subsequent measurement

For purposes of subsequent measurement, financial assets such as debt instruments are measured at amortised cost.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial liabilities -

Initial recognition and measurement -

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables

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.

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.

This category generally applies to borrowings.



Provisions and Contingencies

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



SE SOLAR LIMITED

Notes to the financial statements

4. Property, plant and equipment

Particulars	Gross Block (At Cost)			Depreciation			Rs. in millions	
	As at April 1, 2015	Additions during the year	Deletions / Adjustments	As at March 31, 2016	Upto March 31, 2015	For the year	Deletions / Adjustments	As at March 31, 2016
Tangible Assets:								
Freehold Land	-	267.18	-	267.18	-	-	-	267.18
Total	-	267.18	-	267.18	-	-	-	267.18
Capital work in progress	-	8.43	-	8.43	-	-	-	8.43
Total	-	8.43	-	8.43	-	-	-	8.43

Particulars	Gross Block (At Cost)			Depreciation			Rs. in millions	
	As at April 1, 2016	Additions during the year	Deletions / Adjustments	As at March 31, 2017	Upto March 31, 2016	For the year	Deletions / Adjustments	As at March 31, 2017
Tangible Assets:								
Freehold Land	267.18	198.44	-	465.62	-	-	-	465.62
Total	267.18	198.44	-	465.62	-	-	-	465.62
Capital work in progress	8.43	3,297.58	-	3,306.01	-	-	-	3,306.01
Total	8.43	3,297.58	-	3,306.01	-	-	-	3,306.01



Notes to the financial statements

Note No.	As at March 31, 2017 Rs. in millions	As at March 31, 2016 Rs. in millions	As at April 1, 2015 Rs. in millions
5 DEFERRED TAX ASSET			
Deferred tax assets due to carry forward of losses	2.46	-	-
	<u>2.46</u>	<u>-</u>	<u>-</u>
6 OTHER NON CURRENT ASSETS			
(Unsecured, considered good)			
Capital Advances	284.07	297.60	-
Other Advances -			
Balance with Sales Tax Authorities	0.03	0.03	0.02
	<u>284.10</u>	<u>297.63</u>	<u>0.02</u>
7 CASH & BANK BALANCES			
Cash and cash equivalents			
Cash on hand*	-	0.00	0.00
Bank balances			
In current accounts	1.40	3.54	0.11
	<u>1.40</u>	<u>3.54</u>	<u>0.11</u>
*Amount is below the rounding off norm adopted by the Company			
8 OTHER FINANCIAL ASSET			
(Unsecured, considered good)			
Other loans and advances			
Advance Income Tax (TDS Receivable)	2.22	-	-
Unamortised Guarantee Commission	59.33	-	-
	<u>61.55</u>	<u>-</u>	<u>-</u>
9 Equity share capital			
Authorized :			
5,500,000 (31st March 2016:1,200,000 & 1st April 2015: 1,000,000) Equity Shares of Rs.10/- each	55.00	12.00	10.00
	<u>55.00</u>	<u>12.00</u>	<u>10.00</u>
Issued, subscribed & fully paid up			
3,585,527 (31st March 2016: 1,026,860 & 1st April 2015: 996,750) Equity Shares of Rs.10/- each fully paid up	35.86	10.27	9.97
	<u>35.86</u>	<u>10.27</u>	<u>9.97</u>
Reconciliation of number of shares			
Equity Shares			
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Number of Shares	Number of Shares	Number of Shares
Balance as at the beginning of the year	10,26,860	9,96,750	9,96,750
Add: Shares Allotted during the year	25,58,667	30,110	-
Balance as at the end of the year	<u>35,85,527</u>	<u>10,26,860</u>	<u>9,96,750</u>
Terms / Rights attached to equity shares			
The Company has only one class of equity Shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holder of equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			
Shares held by Holding Company			
Suzlon Energy Limited, the Holding Company			
Equity Shares of Rs.10/- each fully paid up (Nos.)	18,29,555	10,26,860	9,96,750
Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company			
Equity Shares			
Suzlon Energy Limited (Nos.)	18,29,555	10,26,860	9,96,750
% holding in the class	51%	100.00%	100%
CLP Wind Farms India Private Limited (Nos.)	17,55,972	-	-
% holding in the class	49%	0.00%	0%
Other Equity			
Securities Premium Reserve			
Securities Premium Account	310.27	310.27	9.47
Addition in Equity Share Premium	724.10		
Balance as at the end of the year	<u>1,034.37</u>	<u>310.27</u>	<u>9.47</u>
Surplus in Statement of Profit and Loss			
Balance as at the beginning of the year	(20.23)	(19.99)	(19.91)
Profit / (Loss) for the year	(30.30)	(0.24)	(0.08)
Balance as at the end of the year	<u>(50.52)</u>	<u>(20.23)</u>	<u>(19.99)</u>
Equity Contribution			
(Corporate Guarantee)			
Balance as at the beginning of the year	-	-	-
Addition during the year	82.56	-	-
Balance as at the end of the year	<u>82.56</u>	<u>-</u>	<u>-</u>
Balance as at the end of the year	<u>1,066.41</u>	<u>290.04</u>	<u>(10.52)</u>



Note No.	As at March 31, 2017 Rs. in millions	As at March 31, 2016 Rs. in millions	As at April 1, 2015 Rs. in millions
10 BORROWINGS			
Unsecured Loan			
Loan from Related Parties	430.00	-	-
	<u>430.00</u>	<u>-</u>	<u>-</u>
11 CURRENT LIABILITIES			
Unsecured Borrowings			
Working Capital Loan repayable on demand from banks		0.73	0.66
	<u>-</u>	<u>0.73</u>	<u>0.66</u>
12 TRADE PAYABLES			
(a) Total outstanding dues of creditors other than micro enterprises and small enterprises	35.62	8.54	0.02
	<u>35.62</u>	<u>8.54</u>	<u>0.02</u>
13 OTHER CURRENT LIABILITIES			
Statutory dues including tax deducted at source	1.88	9.75	0.01
Provision for expenses	0.84	-	-
Capital Creditors	2,550.53	257.44	-
	<u>2,553.25</u>	<u>267.19</u>	<u>0.01</u>
SE SOLAR LIMITED			
Notes to the financial statements			
Note No.	Year ended March 31, 2017 Rs. in millions	Year ended March 31, 2016 Rs. in millions	
14 OTHER INCOME			
Interest income			
From banks & others	0.64	0.00	
	<u>0.64</u>	<u>0.00</u>	
15 EMPLOYEE BENEFITS EXPENSE			
Salary, Wages and Bonus *	5.30	-	
	<u>5.30</u>	<u>-</u>	
* The above salary, wages and bonus represents the reimbursement of the cost of salaries of the employees of the Group Companies who were on deputation to the SE Solar Limited			
16 OTHER EXPENSES			
Rates and Taxes	0.56	-	
Registration & Other Fees	0.02	-	
Legal and Professional	0.39	0.04	
Auditor's Remuneration	0.12	0.11	
Travelling and Conveyance	3.41	-	
Bank Charges	0.10	0.00	
Corporate Guarantee Commission Charges	23.23	-	
Miscellaneous Expenses	0.27	0.01	
	<u>28.08</u>	<u>0.16</u>	
17 FINANCE COST			
Interest to others	0.01	0.07	
	<u>0.01</u>	<u>0.07</u>	



18 Income tax expense

	March 31, 2017	March 31, 2016
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Total current tax expense	-	-
Deferred tax		
Decrease/(increase) in deferred tax assets	(2.46)	-
(Decrease)/increase in deferred tax liabilities		
Total deferred tax expense/(benefit)	(2.46)	-
Total income tax expense/(benefit) for the year	(2.46)	-

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	March 31, 2017	March 31, 2016
Profit before tax and after net movements in regulatory deferral account balances	(32.75)	(0.24)
Tax at the Indian tax rate of 27.5525% (2015-2016 – 34.608%)	(9.02)	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income in current period:		
Disallowance under the provision of income tax Act	6.57	-
Income tax expense reported in statement of profit & loss	(2.46)	-



SE SOLAR LIMITED

19 Deferred tax asset (net)

The balance comprises temporary differences attributable to:

	31 March, 2017	31 March, 2016	1 April, 2015
Deferred tax assets on account of:			
Tax losses	2.46		
Total deferred tax asset (B)	2.46	-	-
Net deferred tax asset/(liability) (B)-(A)	2.46	-	-

Movement in deferred tax assets

	Tax losses	Total
As at 1 April, 2015	-	-
(Charged)/credited:	-	-
As at 31 March, 2016	-	-
(Charged)/credited:		
- to profit or loss	2.46	2.46
As at 31 March, 2017	2.46	2.46



SE SOLAR LIMITED

Notes accompanying to the financial statements

20 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders

	March 31, 2017 Rs. in millions	March 31, 2016 Rs. in millions
Profit attributable to equity holders		
Continuing operations	(30.30)	(0.24)
Discontinued operations	-	-
Profit/(Loss) attributable to equity holders	(30.30)	(0.24)

ii. Weighted average number of ordinary shares

	March 31, 2017 Numbers in	March 31, 2016 Numbers in millions
Issued ordinary shares at April 1	1.03	1.00
Effect of shares issued for cash on 30.01.2016		0.03
Effect of shares issued for cash on 18.06.2016	1.6	
Effect of shares issued for cash on 22.08.2016	0.3	
Weighted average number of shares at March 31	2.95	1.03

Basic and Diluted earnings per share

	March 31, 2017 In Rs.	March 31, 2016 In Rs.
Basic earnings per share	(10.28)	(0.23)
Diluted earnings per share *	(10.28)	(0.23)

* Since the earnings / (loss) per share computation based on diluted weighted average number of shares is anti-dilutive, the basic and diluted earnings/(loss) per share is the same.



SE SOLAR LIMITED

21 Transition to Ind AS:

This is the first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the "transition date").

In preparing our opening Ind AS balance sheet, there is no adjustment to the amounts reported in financial statements prepared in accordance with IGAAP. On transition, we did not revise estimates previously made under IGAAP except where required by Ind AS.



Notes accompanying to the financial statements

Note

No.

22 Related party disclosures

(i) Ultimate parent and intermediate holding companies

The group is controlled by the following entities:

Name of entity	Type	Place of Business/ Incorporation	Ownership Interest (%)		
			March 31, 2017	March 31, 2016	April 1, 2015
Suzlon Energy Ltd	Holding Company	India	51	100	100
CLP Wind Farms India Pvt Ltd	Jointly Controlled Entity	India	49	-	-

A List of related parties and nature of relationship where transactions and control exists.

Name of the parties	Nature of relationship
Suzlon Energy Limited	Holding Company
Suzlon Gujrat Wind Parks Limited	Fellow Subsidiary Company
Suzlon Wind International Limited	
CLP Wind Farms (India) Private Limited	Jointly Controlled Entity
CLP India Private Limited	Associate Entity
CLP Power India Private Limited	
Jhajjar Power Limited	
CLP Wind Farms (Khandke) Private Limited	
CLP Wind Farms (Theni Project II) Private Limited	
CLP Wind Farms (Theni Project III) Private Limited	
CLP Wind Farms (Theni Project IV) Private Limited	
CLP India Foundation	
Mr. Sanjay Baweja	Key management personnel
Mr. Rohit Chauhan	
Mr. Pawan Gupta	
Mr. Rajiv Mishra (w.e.f 18.06.2016)	
Mr. Derek Parkin (w.e.f 18.06.2016)	
Mr. Rohit Modi (Till 27.03.2017)	
Mr. Anish Nanavaty (Till 31.01.2017)	



B Transactions & disclosures thereof between the Company and the related party and the status of outstanding balances.

(Rs. in millions)					
Particulars / Name of related party	For the Year ended on	Holding Company	Jointly Controlled Entity	Fellow Subsidiary	Associate Entity
<u>Issue of Equity Shares -</u>					
Suzlon Energy Limited	31.03.2017	235.19	-	-	-
	31.03.2016	301.10	-	-	-
CLP Wind Farms India Private Limited	31.03.2017	-	514.50	-	-
	31.03.2016	-	-	-	-
<u>Loan availed from -</u>					
CLP Wind Farms India Private Limited	31.03.2017	-	430.00	-	-
	31.03.2016	-	-	-	-
<u>Repayment of loan availed -</u>					
Suzlon Wind International Limited	31.03.2017	-	-	0.73	-
	31.03.2016	-	-	-	-
<u>Net Purchase of Capital goods -</u>					
Suzlon Energy Limited	31.03.2017	3,276.21	-	-	-
	31.03.2016	-	-	-	-
Suzlon Gujrat Wind Parks Limited	31.03.2017	-	-	198.44	-
	31.03.2016	-	-	267.28	-
<u>Interest Expenses on loan taken -</u>					
CLP Wind Farms India Private Limited	31.03.2017	-	0.53	-	-
	31.03.2016	-	-	-	-
Suzlon Wind International Limited	31.03.2017	-	-	0.01	-
	31.03.2016	-	-	0.07	-
<u>Net expense reimbursed to:</u>					
CLP India Private Limited	31.03.2017	-	-	-	0.19
	31.03.2016	-	-	-	-
CLP Wind Farms India Private Limited	31.03.2017	-	36.39	-	-
	31.03.2016	-	-	-	-
Suzlon Energy Limited	31.03.2017	16.66	-	-	-
	31.03.2016	-	-	-	-
Suzlon Gujrat Wind Parks Limited	31.03.2017	-	-	-	-
	31.03.2016	-	-	0.10	-
<u>Net expense reimbursed from:</u>					
Suzlon Energy Limited	31.03.2017	32.24	-	-	-
	31.03.2016	-	-	-	-
<u>Letter of Credit issued in favour of -</u>					
Suzlon Energy Limited	31.03.2017	5,194.13	-	-	-
	31.03.2016	-	-	-	-
<u>Corporate Guarantee taken from -</u>					
CLP India Private Limited	31.03.2017	-	-	-	10,500.00
	31.03.2016	-	-	-	-
<u>Closing Balance of receivable / advances -</u>					
Suzlon Energy Limited	31.03.2017	-	-	-	-
	31.03.2016	289.27	-	-	-
Suzlon Gujrat Wind Parks Limited	31.03.2017	-	-	284.07	-
	31.03.2016	-	-	-	-
<u>Closing Balance of Payables -</u>					
CLP India Private Limited	31.03.2017	-	-	-	0.19
	31.03.2016	-	-	-	-
CLP Wind Farms India Private Limited	31.03.2017	-	35.28	-	-
	31.03.2016	-	-	-	-
Suzlon Energy Limited	31.03.2017	2,550.53	-	-	-
	31.03.2016	-	-	-	-
Suzlon Gujrat Wind Parks Limited	31.03.2017	-	-	-	-
	31.03.2016	-	-	257.54	-
<u>Letter of Credit Outstanding at year end -</u>					
Suzlon Energy Limited	31.03.2017	4,771.15	-	-	-
	31.03.2016	-	-	-	-
<u>Corporate Guarantee Outstanding at year end -</u>					
CLP India Private Limited	31.03.2017	-	-	-	10,500.00
	31.03.2016	-	-	-	-



23 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances is Rs. 3,515.56 Millions (Rs. 6,345.22 Millions).

24 Contingent liabilities

Based on the information available with the Company, contingent liabilities in the form of outstanding letter of credit as on Balance Sheet date is Rs. 4771.15 Millions (' Nil).

25 Auditors Remuneration

	Year ended 3/31/2017 (Rupees)	Year ended 31-Mar-16 (Rupees)	Year ended 31-Mar-15 (Rupees)
Statutory Audit Fees	1,00,000	1,00,000	10,000
Other expenses & taxes	15,000	14,500	1,236
Total	1,15,000	1,14,500	11,236

26 Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Based on the information available with the Company, none of the vendors fall under the definition of micro, small & medium enterprises.

27 Additional information pursuant to the provisions of Schedule III of the Companies Act, 2013, read with section 129 of the Companies Act 2013

- Value of imports calculated on CIF basis: ' Nil ('. NIL)
- Expenditure in foreign currency : 'Rs 1.99 Millions ('. NIL)
- Imported and indigenous raw materials, components and spare parts consumed: ' Nil ('. NIL)
- Earnings in foreign currency (accrual basis): Nil (NIL)

24 Disclosure relating to Specified bank Notes* (SBNs)

Disclosure relating to Specified bank Notes* (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016.

Particulars	SBNs*	Other Denomination	Total
Closing cash in hand as on 8 November 2016	Nil	Nil	Nil
(+) Permitted receipt	Nil	Nil	Nil
(-) Permitted payment	Nil	Nil	Nil
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30 December 2016	Nil	Nil	Nil

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred and one thousand rupee as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs n0. S.O.3407 (E), dated the 8th November, 2016

25 Prior year amounts have been reclassified wherever necessary to confirm with current year presentation. Figures in the brackets are in respect of the previous year.

As per our report of even date

For SNK & Co.

Firm Registration Number: 109176W

Chartered Accountants


Mihir D. Gandhi

Partner

Membership No : 125394



For and on behalf of the Board of Directors

SE Solar Limited


Rajiv Mishra

Director

DIN:0000131207


Sanjeev Sharma

Company Secretary


Pawan Gupta

Director

DIN : 0007700845

Place : Pune

Date : 10 AUG 2017

Place : Mumbai

Date : 10 AUG 2017