

**Independent Auditor's Report**

**To the members of SEI Tejas Private Limited**

**Report on the standalone Ind AS Financial Statements**

**Qualified Opinion**

We have audited the accompanying standalone Ind AS financial statements of SEI Tejas Private Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis of Qualified opinion* section of our report, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

With respect to certain liabilities aggregating to INR 86,301,525 lying outstanding as at March 31, 2019 under trade payables and other current liabilities sufficient appropriate audit evidence is not available to corroborate the management's assessment of such obligations. Hence, we are unable to determine whether any adjustments might be necessary to such amounts and the corresponding impact on income tax, net income and shareholders' funds.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

**Material uncertainty relating to Going Concern**

We draw attention to Note 40 of the standalone Ind AS financial statements annexed to this report which indicates that the net worth of the Company has been fully eroded as at 31st March 2019 thereby raising substantial doubt about the Company's ability to continue in operation for the foreseeable future. However, the standalone Ind AS financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note. Our opinion is not modified in respect of this matter.



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## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS Financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Accuracy of recognition, measurement, presentation and disclosure of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"</b></p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the appropriateness of the basis used to measure revenue recognized over a period. Further, it comprises the point in time when transfer of control has occurred regarding sale of solar water pumps (supply-only and supply-and-installation), sale of solar components, and assessing the degree of completion of service contracts which are accounted for over time. Recognition of the Company's revenue is complex due to several types of customer contracts utilized, including sale of solar water pumps, sale of solar components, service income and sale of spare parts. Refer Note 3(c) of the standalone Ind AS financial statements.</p>	<p>Our procedures included, among others, obtaining an understanding of contract execution processes and relevant controls relating to the accounting for customer contracts. We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognized, including controls over the degree of completion of service contracts at year-end.</p> <p>We read a sample of both sales and service contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115 and has been applied consistently. We focused on contract classification, allocation of income and cost to individual performance obligations and timing of transfer of control. Where a contract contained multiple elements, we considered Management's judgements as to whether they comprised performance obligations that should be accounted for separately, and in such cases, challenged the judgements made in the allocation of consideration to each performance obligation.</p> <p>We evaluated and challenged the significant judgements and estimates made by Management in applying the Company's accounting policy to a sample of specific contracts and separable performance obligations of contracts, and we obtained evidence to support them, including details of contractual agreements, delivery records and cash receipts. For the contracts selected, we inspected original signed contracts and reconciled the revenue recognized to the underlying accounting records.</p>





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2	<p><b>Warranty provisions</b></p> <p>The Company's product warranties primarily cover expected costs to repair or replace components with defects or functional errors and financial losses suffered by the Company's customers in connection with unplanned suspension of operations. Warranties are usually granted for a five to ten years period from legal transfer of the solar water pumps. We focused on this area as the completeness and valuation of the expected outcome of warranty provisions requires a high degree of Management judgement and the use of estimates giving rise to inherent uncertainty in the amounts recorded in the standalone Ind AS financial statements. Refer Note 18 of the standalone Ind AS financial statements.</p>	<p>We tested the relevant internal controls regarding completeness of warranty provisions and how Management assesses valuation of provisions. We challenged the assumptions underlying the valuation of provisions by checking and corroborating the inputs used to calculate the provisions, including interviewing Management regarding individual cases. We assessed specific warranty provisions held for individual cases to evaluate whether the warranty provisions were sufficient to cover expected costs at year-end. Further, we assessed the level of historical warranty claims to assess whether the total warranty provisions held at year-end were sufficient to cover expected costs in light of known and expected cases and standard warranty periods provided.</p>
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**Information Other than the standalone Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable obtain sufficient appropriate audit evidence with respect to certain liabilities aggregating to INR 86,301,525 lying outstanding as at March 31, 2019 under trade payables and other current liabilities to corroborate the management's assessment of such obligations. Hence, we are unable to determine whether any adjustments might be necessary to such amounts and the corresponding impact on income tax, net income and shareholders' funds. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.



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## Management's Responsibility for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India. 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

## Auditor's Responsibility for the Audit of the standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

The comparative financial information of the Company for the year ended 31st March 2018 and the related transition date opening balance sheet as at 1st April 2017 included in these standalone financial statements, have been prepared after adjusting the previously issued standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. Adjustments made to the previously issued standalone financial statements to comply with Ind AS have been audited by us.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and except for the matter described in the Basis for Qualified opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



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- b) Except for the possible effects of the matter described in the Basis for Qualified opinion section above, 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, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) Except for the possible effects of the matter described in the Basis for Qualified opinion section above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) The matter described in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.
- h) 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration not applicable.
- j) 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 has disclosed the impact of pending litigations on its financial position in note 33 of its standalone Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts 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.





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2. 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, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

*For V K A N & Associates*

*Chartered Accountants*

ICAI Firm Registration No 014226S



Kaushik Venkatraman

**Partner**

Membership No. 222070



Place: Chennai

Date: 30<sup>th</sup> May 2019

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## Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SEI Tejas Private Limited of even date)

### 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 SEI Tejas Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS 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





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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 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, to the best of our information and according to the explanations given to us, 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, 2019, 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 V K A N & Associates

Chartered Accountants

ICAI Firm Registration No 014226S

  
Kaushik Venkatraman

**Partner**

Membership No. 222070

Place: Chennai

Date: 30<sup>th</sup> May 2019



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## Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SEI Tejas Private Limited of even date)

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and location of fixed assets
  - (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties are held in the name of the Company.
- (ii) In respect of inventories
  - (a) Inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
  - (b) The procedures for physical verification of inventories followed by the management are reasonable and adequate considering the nature and size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under Section 189 of the Companies Act, 2013 and hence paragraph 3(iii) of the order is not applicable.
- (iv) The Company does not have any loan, investments, guarantees and security which requires compliance under Sections 185 and 186 of the Act.
- (v) According to the information and explanations made available to us, the Company has not accepted deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.





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- (vii) According to the information and explanations given to us and on the basis of our examination of books of accounts in respect of statutory dues,
- a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, income tax, Goods and Service tax, customs duty and other material statutory dues with the appropriate authorities. There are no undisputed amounts payable in respect of provident fund, income tax, Goods and Service tax, customs duty and other material statutory dues as at 31 March 2019 for a period of more than six months from the date they became payable.
  - b) The company has no material dues of duty of Provident fund, Employees' State Insurance, income tax or Goods and Service tax or duty of customs or Cess which have not been deposited with the appropriate authorities on account of any dispute as on 31<sup>st</sup> March 2019.
- (viii) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not defaulted in repayment of borrowings to a financial institution.
- (ix) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Since the Company is a private limited company the provisions of Section 197 of the Act is not applicable to the Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, Transaction with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable India accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) is so far as it relates to section 177 of the act is not applicable to the Company and hence not commented upon.



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- (xiv) According to the information and explanations give to us and on the basis of our examination of books of accounts, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and on the basis of our examination of books of accounts, 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.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For V K A N & Associates

Chartered Accountants

ICAI Firm Registration No 014226S



Kaushik Venkatraman

**Partner**

Membership No. 222070

Place: Chennai

Date: 30<sup>th</sup> May 2019





**SEI Tejas Private Limited**  
**CIN: U40101TN2013FTC094224**  
**Balance sheet as at 31 March 2019**  
*(All amount are in Indian rupees, unless otherwise stated)*

	Notes	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	4	4,253,545	381,473	-
(b) Financial Assets				
(i) Other financial assets	5	32,371,817	70,477,051	69,243,441
(c) Deferred tax asset (net)	6	-	-	-
(d) Other non-current assets	7	-	7,589,824	-
<b>Total non-current assets</b>		<b>36,625,362</b>	<b>78,448,348</b>	<b>69,243,441</b>
<b>Current assets</b>				
(a) Inventories	8	58,230,267	114,373,584	25,481,949
(b) Financial Assets				
(i) Trade receivables	9	74,242,993	154,027,813	115,947,594
(ii) Cash and cash equivalents	10	43,819,124	2,172,235	2,741,549
(iii) Other bank balances	11	35,343,300	3,500,000	11,568,712
(iv) Loans	12	4,329,072	4,008,400	-
(v) Other financial assets	13	45,933,571	39,049,175	19,653,336
(c) Other current assets	14	43,350,007	33,856,910	21,477,821
<b>Total current assets</b>		<b>305,248,334</b>	<b>350,988,117</b>	<b>196,870,961</b>
<b>TOTAL ASSETS</b>		<b>341,873,697</b>	<b>429,436,465</b>	<b>266,114,402</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	15	72,152,500	72,152,500	62,500,000
(b) Other Equity				
(i) Reserves and surplus	16	(175,117,907)	(181,057,018)	(201,637,884)
<b>Total equity</b>		<b>(102,965,407)</b>	<b>(108,904,518)</b>	<b>(139,137,884)</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	17	2,202,168	-	-
(b) Provisions	18	40,860,297	28,990,774	46,855,952
(c) Other non-current liabilities	19	1,627,073	3,374,819	4,753,624
<b>Total non-current liabilities</b>		<b>44,689,538</b>	<b>32,365,593</b>	<b>51,609,576</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	20	122,701,695	210,112,191	109,257,000
(ii) Trade payables	21	192,810,855	254,769,401	218,776,893
(iii) Other financial liabilities	22	41,853,868	31,878,652	17,899,199
(b) Other current liabilities	23	42,783,148	9,215,145	7,709,618
<b>Total current liabilities</b>		<b>400,149,566</b>	<b>505,975,390</b>	<b>353,642,710</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>341,873,697</b>	<b>429,436,465</b>	<b>266,114,402</b>

Notes forming part of the Ind AS Financial statements 1 to 41

This is the Balance sheet referred to in our report

In terms of our report attached  
**For V K A N & Associates**  
Chartered Accountants  
Firm Registration No: 014226S

**Haushik Venkatraman**  
Partner  
Membership No: 222070

Place : Chennai  
Date : 30 May 2019



For and on behalf of the Board of Directors of  
**SEI Tejas Private Limited**

**Arun**  
Director  
DIN: 07824993

Place : Chennai  
Date : 30 May 2019

**D Sadasivam**  
Company Secretary

**Dinesh Kumar Agarwal**  
Director  
DIN: 07544757



**SEI Tejas Private Limited**  
**CIN: U40101TN2013FTC094224**

**Statement of Profit and Loss for the year ended March 31, 2019**  
*(All amount are in Indian rupees, unless otherwise stated)*

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Income</b>			
Revenue from operations	24	416,739,628	269,543,316
Other income	25	21,028,781	19,622,584
<b>Total Income</b>		<b>437,768,409</b>	<b>289,165,900</b>
<b>Expenses</b>			
Cost of material consumed	26	340,011,753	204,123,692
Employee benefit expenses	27	30,372,815	12,384,658
Finance costs	28	9,667,232	12,978,675
Depreciation expense	4	407,134	85,126
Other expenses	29	43,948,345	35,873,746
<b>Total expenses</b>		<b>424,407,279</b>	<b>265,445,897</b>
<b>Profit before tax</b>		<b>13,361,130</b>	<b>23,720,003</b>
<b>Tax expense:</b>			
Current tax	30	7,400,000	3,139,137
Deferred tax	30	-	-
<b>Profit/(loss) for the year</b>		<b>5,961,130</b>	<b>20,580,866</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit obligations, net		(22,019)	-
<b>Total Comprehensive Income for the year</b>		<b>5,939,111</b>	<b>20,580,866</b>
<b>Earnings per equity share (of Rs. 10 each)</b>			
Basic and diluted earnings per share	31	0.82	3.14
Notes forming part of the Ind AS Financial statements	1 to 41		

This is the Statement of profit and loss referred to in our report


In terms of our report attached  
**For V K A N & Associates**  
Chartered Accountants  
Firm Registration No: 014226S

  
**Kaushik Venkatraman**  
Partner  
Membership No: 222070  
Place : Chennai  
Date : 30 May 2019



For and on behalf of the Board of Directors of  
**SEI Tejas Private Limited**

  
**Arun**  
Director  
DIN: 07824993

  
**Dinesh Kumar Agarwal**  
Director  
DIN: 07544757

  
**D Sadasivam**  
Company Secretary



Place : Chennai  
Date : 30 May 2019



SEI Tejas Private Limited

CIN: U40101TN2013FTC094224

Statement of changes in equity for the year ended March 31, 2019

(All amount are in Indian rupees, unless otherwise stated)

**A. Equity Share capital (also refer Note 15)**

Particulars	Number	Amount in Rs
Equity shares INR 10 each issued, subscribed and paid		
As at 01 April 2017	6,250,000	62,500,000
Issue of equity shares	965,250	9,652,500
As at 31 March 2018	7,215,250	72,152,500
Issue of equity shares	-	-
As at 31 March 2019	7,215,250	72,152,500

**B. Other Equity**

Particulars	Retained Earnings	Other comprehensive income	Total equity attributable to equity holders
As at 01 April 2017	(201,637,884)	-	(201,637,884)
Profit/(loss) for the year	20,580,866	-	20,580,866
Other comprehensive income for the year	-	-	-
As at 31 March 2018	(181,057,018)	-	(181,057,018)
Loss for the year	5,961,130	-	5,961,130
Other comprehensive income for the year	-	(22,019)	(22,019)
As at 31 March 2019	(175,095,888)	(22,019)	(175,117,907)

Notes forming part of the Ind AS Financial statements

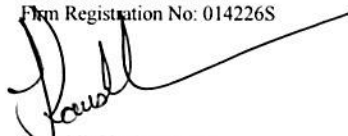
1 to 41

This is the Statement of changes in equity referred to in our report

For V K A N & Associates

Chartered Accountants

Firm Registration No: 014226S



Kaushik Venkatraman

Partner

Membership No: 222070

Place : Chennai

Date : 30 May 2019



For and on behalf of the Board of Directors of  
SEI Tejas Private Limited



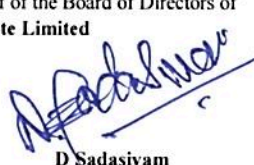
Arun

Director

DIN: 07824993

Place : Chennai

Date : 30 May 2019



D Sadasivam

Company Secretary



Dinesh Kumar Agarwal

Director

DIN: 07544757



SEI Tejas Private Limited  
CIN: U40101TN2013FTC094224  
Cash flow statement for the year ended March 31, 2019  
(All amount are in Indian rupees, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. Cash flow from operating activities</b>		
Net profit/ (Loss) before tax	13,361,130	23,720,003
Adjustments for:		
Depreciation and amortisation expenses	407,134	85,126
Interest income on fixed deposits/loans	(9,632,506)	(6,122,584)
Provision for warranty	6,840,824	3,750,000
Liabilities no longer required written back	(10,186,069)	(13,500,000)
Interest expense	9,667,232	12,978,675
Operating loss before working capital changes	<b>10,457,745</b>	<b>20,911,221</b>
Change in operating assets and liabilities:		
Inventories	56,143,317	(88,891,635)
Trade receivables	79,784,820	(38,080,219)
Other financial assets	7,241,360	(18,852,732)
Other assets	(1,903,273)	(5,465,771)
Trade payables	(51,772,478)	49,492,509
Other non current liabilities	(1,747,747)	(1,378,805)
Other current liabilities and provisions	27,425,381	(20,109,652)
Cash used in operations	<b>125,629,124</b>	<b>(102,375,084)</b>
Net income tax (paid) /refund received	3,749,303	(17,642,279)
<b>Net cash used in operating activities</b>	<b>129,378,427</b>	<b>(120,017,363)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment	(4,279,206)	(466,599)
Bank deposits matured / (deposited) during the year	(45,091,542)	11,568,712
Loans given	(320,672)	(4,008,400)
Interest income from Fixed deposits received	3,694,951	845,867
<b>Net Cash from investing activities</b>	<b>(45,996,469)</b>	<b>7,939,580</b>
<b>C. Cash flow from financing activities</b>		
Borrowings	(84,687,819)	100,855,191
Shares issued during the year	-	9,652,500
Interest paid during the year	(212,525)	1,000,778
<b>Net Cash used in financing activities</b>	<b>(84,900,344)</b>	<b>111,508,469</b>





SEI Tejas Private Limited  
CIN: U40101TN2013FTC094224  
Cash flow statement for the year ended March 31, 2019  
(All amount are in Indian rupees, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Net increase in cash and cash equivalents ( A+B+C )	(1,518,386)	(569,314)
Cash and cash equivalents at the beginning of the year	2,172,235	2,741,549
Cash and cash equivalents at the end of the year	<u>653,849</u>	<u>2,172,235</u>

Note :

1. The cash flow statement is prepared under "Indirect method" as set out in IND AS 7 Statements of Cash Flows notified in Section 133 of the Companies Act, 2013.
2. Reconciliation of Cash and cash equivalents with the Balance sheet

Cash and bank balance	43,819,124	2,172,235
Less: Restricted bank balances not to be considered as part of cash and cash equivalents	43,165,275	-
Cash and cash equivalents at the end of the year	<u>653,849</u>	<u>2,172,235</u>

Notes forming part of the Ind AS Financial statements

1 to 41

This is the Statement of cash flows referred to in our report

For V K A N & Associates  
Chartered Accountants  
Firm Registration No: 014226S


Kaushik Venkatraman  
Partner  
Membership No: 222070


Place : Chennai  
Date : 30 May 2019



For and on behalf of the Board of Directors of  
SEI Tejas Private Limited

  
Arun  
Director  
DIN: 07824993

  
Dinesh Kumar Agarwal  
Director  
DIN: 07544757

  
D Sadasivam  
Company Secretary



Place : Chennai  
Date : 30 May 2019

**SEI Tejas Private Limited**

**Notes to financial statements for the year ended March 31, 2019**

(All amount are in Indian rupees, unless otherwise stated)

**1 Background**

SEI Tejas Private Limited ('the Company') is a private company domiciled and headquartered in India and was incorporated on 19 December 2013 under the Companies Act, 1956. The Company is engaged in the business of rendering design, engineering, installation and maintenance of solar water pumps. It also carries out trading activities with respect to solar components.

**2 Basis of preparation**

**a. Statement of compliance**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, at the end of each reporting period as explained in the accounting policies below, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's financial statements up to and for the year ended March 31, 2018 were prepared in accordance with Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliation and description of the effects of such transition to Ind AS have been explained in Note 32.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Details of the Company's significant accounting policies are included in Note 3.

**b. Functional and presentation currency**

The functional currency of the Company is the Indian rupee. All the financial information have been presented in Indian Rupees (Rs.) except for share data or as stated otherwise.

**c. Basis of measurement**

These financial statements have been prepared on the historical cost basis except for the following items:

- a) Net defined benefit liability - Present value of defined benefit obligations
- b) Certain financial assets and financial liabilities - Fair value

**d. Use of estimates**

In preparing these financial statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements and the same is disclosed in the relevant notes to the financial statements.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an on-going basis and the same is disclosed in the relevant notes to the financial statements.

**e. Measurement of fair values**

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and /or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.





**SEI Tejas Private Limited**

**Notes to financial statements for the year ended March 31, 2019**

(All amount are in Indian rupees, unless otherwise stated)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 inputs are unobservable inputs for the asset or liability.

**3 Significant accounting policies**

**a Foreign currency transactions**

The functional currency of the Company is the Indian rupee. The financial statements are presented in Indian rupee.

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rate in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

**b Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes all taxes and duties, but excludes duties and taxes that are subsequently recoverable from tax authorities.

The methods of determining cost of various categories of inventories are as follows:

Description	Methods of determining cost
Raw Materials	First-In-First-Out (FIFO)

Net realisable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

**c Revenue recognition**

Effective April 01, 2018, the Company adopted Ind AS 115 "Revenue from Contract with Customers". Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered and the Performance Obligations are discharged. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed.



**SEI Tejas Private Limited****Notes to financial statements for the year ended March 31, 2019**

(All amount are in Indian rupees, unless otherwise stated)

**d Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes freight, duties and taxes and other incidental expenses related to the acquisition, but exclude duties and taxes that are recoverable subsequently from tax authorities. Capital work in progress includes the cost of assets that are not ready for its intended use and cost of assets not put to use before the balance sheet date. Dismantling costs and costs of removing the item and restoring the site on which it is located is required to be included in the cost of property, plant and equipment where ever applicable and Cost of major inspections is recognized in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognized. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit or loss.

**Depreciation**

Depreciation is provided on the straight line method over the useful lives of assets as assessed by the management of the Company. The management estimates the useful lives tangible fixed assets as follow:

Description	Useful lives
Computers	3 years
Vehicles	10 years
Office equipments	5 years
Furnitures and fixtures	10 years

**e Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

**f Employee benefits**

**i. Short-term employee benefits:** Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**ii. Post employment benefits:****Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the year in which the employee renders the related service.

**Defined benefit plans**

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company provides for gratuity based on actuarial valuation as at the balance sheet date. The actuarial valuation has been carried out using 'Projected Unit Method' by an independent actuary.

**Compensated absences**

Provision for compensated absences is made by the Company as at the balance sheet date of the un-availed leave standing to the credit of employees in accordance with the service rules of the Company. Liabilities related to the compensated absences are determined by actuarial valuation using projected unit credit method as at the balance sheet date.

Actuarial gains and losses are recognized in the Statement of other comprehensive income in the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets.





**SEI Tejas Private Limited**

**Notes to financial statements for the year ended March 31, 2019**

(All amount are in Indian rupees, unless otherwise stated)

**g Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**Company as Lessee**

The Company's significant leasing arrangements are in respect of operating leases for premises that are cancellable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease. Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease or based on the time pattern of user benefit basis. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

**h Income taxes**

Income tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting that tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Current tax and deferred tax assets and liabilities are offset to the extent to which the Company has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax ("MAT") paid in accordance with tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company would pay normal income tax after tax holiday period and accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably. MAT credit entitlement is reviewed at each balance sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**i Provisions, contingent liabilities and contingent assets**

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

Provision for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on reliable estimate of such obligation.

**j Earnings per share**

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.



**SEI Tejas Private Limited**

**Notes to financial statements for the year ended March 31, 2019**

(All amount are in Indian rupees, unless otherwise stated)

**k Cash flow statements**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**l Financial instruments:**

**Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

**i) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and 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.

**ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

**iii) Financial assets at fair value through profit or loss**

A financial asset, which is not classified in any of the above categories, is subsequently fair valued through profit or loss.

**iv) Impairment of Financial Assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as applicable, as the case may be. The amount of ECLs (or reversals, if any) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit or loss.

**v) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**m Operating Cycle**

Based on the nature of activities of the company and the normal time between rendering of services and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.





**SEI Tejas Private Limited**

**Notes to financial statements for the year ended March 31, 2019**

(All amount are in Indian rupees, unless otherwise stated)

**n New Accounting standards yet to be adopted**

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The Company is in the process of evaluating the impact on account of the same on its financial statements. However, based on the initial assessment, the impact on profitability is not expected to be significant.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effect of Ind AS 12 Appendix C, would be insignificant for the entity.



**SEI Tejas Private Limited****Notes to financial statements for the year ended 31 March 2019**

(All amount are in Indian rupees, unless otherwise stated)

**Note 4 - Property, plant and equipment**

Description	Computers	Vehicles	Office equipment	Furniture & Fixtures	Total
<b>Gross block</b>					
Balance as at 01 April 2017	-	-	-	-	-
Additions	438,600	24,000	3,999	-	466,599
Deletions	-	-	-	-	-
Balance as at 31 March 2018	438,600	24,000	3,999	-	466,599
Balance as at 31 March 2018	438,600	24,000	3,999	-	466,599
Additions	542,573	2,950,989	53,125	732,519	4,279,206
Deletions	-	-	-	-	-
Balance as at 31 March 2019	981,173	2,974,989	57,124	732,519	4,745,805
<b>Depreciation</b>					
Balance as at 01 April 2017	-	-	-	-	-
Charge for the year	81,387	3,677	62	-	85,126
Balance as at 31 March 2018	81,387	3,677	62	-	85,126
Charge for the year	189,550	176,300	5,647	35,637	407,134
Balance as at 31 March 2019	270,937	179,977	5,709	35,637	492,260
<b>Net block</b>					
As at 31 March 2019	710,236	2,795,012	51,415	696,882	4,253,545
As at 31 March 2018	357,213	20,323	3,937	-	381,473

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SEI Tejas Private Limited  
Notes forming part of the Ind AS financial statements  
(All amount are in Indian rupees, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>5 Other financial assets - Non-current</b>			
Bank deposits (refer @ of note 11)	26,402,963	56,319,996	59,819,996
Interest accrued but not due on fixed deposits	5,968,854	14,157,055	9,423,445
<b>Total</b>	<b>32,371,817</b>	<b>70,477,051</b>	<b>69,243,441</b>
<b>6 Deferred tax assets (net)</b>			
<b>Deferred tax liability</b>			
Excess of amortisation on fixed assets under income tax law over amortisation provided in the books	133,113	6,156	-
<b>Deferred tax assets*</b>			
Employee benefit obligations	133,113	6,156	-
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>
* Deferred tax assets have been recognized only to the extent of deferred tax liability as there is no reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which all deferred tax assets can be realized.			
<b>7 Other non-current assets</b>			
Advance tax (net of provision for taxation (current year: Rs. Nil previous year Rs. 22,285,559))	-	7,589,824	-
<b>Total</b>	<b>-</b>	<b>7,589,824</b>	<b>-</b>
<b>8 Inventories</b>			
Raw materials and components	58,230,267	114,373,584	25,481,949
<b>Total</b>	<b>58,230,267</b>	<b>114,373,584</b>	<b>25,481,949</b>
<b>9 Trade receivables</b>			
<b>Unsecured</b>			
Considered good	74,242,993	154,027,813	115,947,594
Considered doubtful	-	-	3,377,073
	<b>74,242,993</b>	<b>154,027,813</b>	<b>119,324,667</b>
Less: Provision for doubtful trade receivables	-	-	(3,377,073)
<b>Total</b>	<b>74,242,993</b>	<b>154,027,813</b>	<b>115,947,594</b>
The Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in Note 39.			
<b>10 Cash and cash equivalents</b>			
a) Cash on hand	208,985	-	-
b) Balances with banks			
- In current accounts	444,864	2,172,235	2,741,549
- in deposit accounts (with original maturity of 3 months or less) (refer @ of note 11)	43,165,275	-	-
<b>Total</b>	<b>43,819,124</b>	<b>2,172,235</b>	<b>2,741,549</b>





SEI Tejas Private Limited  
Notes forming part of the Ind AS financial statements  
(All amount are in Indian rupees, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>11 Other bank balances</b>			
Deposits @ (with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date)	35,343,300	3,500,000	11,568,712
<b>Total</b>	<b>35,343,300</b>	<b>3,500,000</b>	<b>11,568,712</b>
@ marked as lien against bank guarantees			
<b>12 Loans</b> (Unsecured, considered good) To related parties:			
Loans receivable (refer Note 34)	4,329,072	4,008,400	-
<b>Total</b>	<b>4,329,072</b>	<b>4,008,400</b>	<b>-</b>
<b>13 Other financial assets</b> (Unsecured, considered good)			
Security deposits	29,335,852	38,354,460	19,581,987
Interest accrued but not due on fixed deposits (other than Note 5)	14,740,212	614,456	71,349
Advances paid to employees	1,857,507	80,259	-
<b>Total</b>	<b>45,933,571</b>	<b>39,049,175</b>	<b>19,653,336</b>
<b>14 Other current assets</b>			
Advances paid to suppliers (Unsecured)	26,589,609	20,804,770	18,215,529
Unbilled revenue	1,029,625	-	-
Prepaid expenses	22,801	90,471	-
Balances due from government authorities	15,338,784	12,592,481	2,893,104
Other dues	369,188	369,188	369,188
<b>Total</b>	<b>43,350,007</b>	<b>33,856,910</b>	<b>21,477,821</b>

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**SEI Tejas Private Limited**
**Notes forming part of the Ind AS financial statements**

(All amount are in Indian rupees, unless otherwise stated)

**15 Share capital**

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
<b>Authorised</b>			
9,000,000 (Previous year: 9,000,000) equity Shares of ₹ 10 each	90,000,000	90,000,000	65,000,000
<b>Issued, Subscribed and Paid up</b>			
7,215,250 (Previous year: 7,215,250) equity Shares of ₹ 10 each	72,152,500	72,152,500	62,500,000

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	31 March 2019		31 March 2018		01 April 2017	
	Number	Amount	Number	Amount	Number	Amount
<b>Equity Shares</b>						
At the commencement of the year	7,215,250	72,152,500	6,250,000	62,500,000	6,250,000	62,500,000
Shares issued during the year	-	-	965,250	9,652,500	-	-
<b>At the end of the year</b>	<b>7,215,250</b>	<b>72,152,500</b>	<b>7,215,250</b>	<b>72,152,500</b>	<b>6,250,000</b>	<b>62,500,000</b>

**Rights, preferences and restrictions attached to equity shares**

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not show of hands) are in proportion to its share of the paid-up equity capital of the company.

On winding up of the company, the holder of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held. During the year 2016-17, 6,240,000 equity shares held by SunEdison Solar Power India Private Limited has been acquired by SEI Solartech Private Limited vide share purchase agreement dated 27 July 2016. During the year 2017-18, 6,240,000 equity shares held by SEI Solartech Private Limited has been acquired by Refex Solar (S) Pte Ltd vide share purchase agreement dated 23 June 2017. During the year 2018-19 Refex Solar (S) Pte Ltd vide share purchase agreement dated 28 August 2018 sold its shares in the Company to SunEdison Infrastructure Limited (formerly known as YKM Industries Limited).

**b. Shares held by holding company and / or their subsidiaries / associates**

	31 March 2019		31 March 2018		01 April 2017	
	Number	Amount	Number	Amount	Number	Amount
Equity shares of ₹ 10 each fully paid up held by :						
SunEdison Infrastructure Limited	7,215,249	72,152,490	-	-	-	-
Refex Solar (S) Pte Ltd	-	-	7,215,249	72,152,490	-	-
SEI Solartech Private Limited	-	-	-	-	6,240,000	62,400,000
SunEdison Energy Holding (Singapore) Pte Ltd	-	-	-	-	9,999	99,990
SunEdison Energy Holding B.V	-	-	-	-	1	10
Anil Jain	1	10	1	10	-	-
	<b>7,215,250</b>	<b>72,152,500</b>	<b>7,215,250</b>	<b>72,152,500</b>	<b>6,250,000</b>	<b>62,500,000</b>

**c. Particulars of shareholders holding more than 5% shares of a class of shares**

	31 March 2019		31 March 2018		01 April 2017	
	Number	(% of total shares in the class)	Number	(% of total shares in the class)	Number	(% of total shares in the class)
Equity shares of ₹ 10 each fully paid held by						
SEI Solartech Private Limited	-	-	-	-	6,240,000	99.84%
SunEdison Energy Holding (Singapore) Pte Ltd and its nominee	-	-	-	-	10,000	0.16%
SunEdison Infrastructure Limited	7,215,249	100%	-	-	-	-
Refex Solar (S) Pte Ltd	-	-	7,215,249	100%	-	-
	<b>7,215,249</b>	<b>100%</b>	<b>7,215,249</b>	<b>100%</b>	<b>6,250,000</b>	<b>100.00%</b>



**SEI Tejas Private Limited**  
**Notes forming part of the Ind AS financial statements**  
(All amount are in Indian rupees, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>16 Other equity</b>			
Retained Earnings	(175,095,888)	(181,057,018)	(201,637,884)
Items of other comprehensive income	(22,019)	-	-
<b>A Retained Earnings</b>			
Opening balance	(181,057,018)	(201,637,884)	(362,237,499)
Add: Profit/(Loss) for the year	5,961,130	20,580,866	160,599,615
Closing Balance	<u>(175,095,888)</u>	<u>(181,057,018)</u>	<u>(201,637,884)</u>
<b>B Items of other comprehensive income</b>			
Opening balance	-	-	-
Add: Remeasurements of defined benefit obligations, net	(22,019)	-	-
Closing Balance	<u>(22,019)</u>	<u>-</u>	<u>-</u>
<b>Total (A+B)</b>	<u>(175,117,907)</u>	<u>(181,057,018)</u>	<u>(201,637,884)</u>

**Capital management**

The Company's policy is to maintain a strong capital base so as to maintain shareholders' confidence and to sustain future development of the business. However the net worth of the company has eroded completely as at 31 March 2019 due to the losses incurred in the recent past. Refer note 41 which discloses issues surrounding going concern and the Company's plans to turn around. Hence the mix of capital, at present, is not optimal and the Company is managing its operations with short term funds received from its group companies.

**17 Borrowings-Long Term**

Secured loan from Yes Bank	2,202,168	-	-
<b>Total</b>	<u>2,202,168</u>	<u>-</u>	<u>-</u>

The above loan from Yes Bank has been availed against purchase of vehicle which has been hypothecated. The said loan carries an interest of 8.84%.

**18 Provisions - Non-current**

<b>Employee benefit obligations (refer Note 35)</b>			
Provision for gratuity	756,968	263,598	-
Provision for compensated absences	278,391	-	-
Provision for warranties #	35,568,000	28,727,176	26,664,057
Provision for liquidated damages	-	-	13,500,000
Provision for taxation (net of advance tax Rs. 26,126,080; previous year - Nil)	4,256,938	-	6,691,895
<b>Total</b>	<u>40,860,297</u>	<u>28,990,774</u>	<u>46,855,952</u>
<b># Provision for warranties</b>			
Balance at the beginning of the period	28,727,176	26,664,057	23,256,583
Provisions made during the period	6,840,824	3,750,000	3,407,474
Provisions utilised during the period	-	1,686,881	-
Balance at the end of the period	<u>35,568,000</u>	<u>28,727,176</u>	<u>26,664,057</u>

Estimated warranty costs and additional service actions are accrued for at the time of sale. Warranty cost accruals include costs for basic and extended warranty coverage on parts sold. Estimates for warranty costs are made based primarily on historical warranty claim experience. The provisions are likely to be utilised for settlement of warranty claims ranging between 5 to 10 years.





**SEI Tejas Private Limited**  
**Notes forming part of the Ind AS financial statements**  
(All amount are in Indian rupees, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>19 Other non-current liabilities</b>			
Billing in excess of revenue	1,627,073	3,374,819	4,753,624
<b>Total</b>	<b>1,627,073</b>	<b>3,374,819</b>	<b>4,753,624</b>
<b>20 Borrowings-Short Term</b>			
<b>Unsecured</b>			
-From Related Parties (refer Note 34)	122,701,695	210,112,191	109,257,000
<b>Total</b>	<b>122,701,695</b>	<b>210,112,191</b>	<b>109,257,000</b>
<b>21 Trade payables</b>			
Dues to micro and small enterprises (refer note below)	-	-	-
Others	192,810,855	254,769,401	218,776,893
<b>Total</b>	<b>192,810,855</b>	<b>254,769,401</b>	<b>218,776,893</b>

**21a Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

The management has identified certain enterprises which have provided goods and services to the Company and which qualify under the definition of 'Micro and Small Enterprises' as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). Accordingly the disclosure in respect of the amounts payable to such enterprises as at 31st March 2019 and 31st March 2018 have been made in the financial statements based on information available with the Company and relied upon by the auditors.

	March 31, 2019	March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	<u>-</u>	<u>-</u>



**SEI Tejas Private Limited**  
**Notes forming part of the Ind AS financial statements**  
(All amount are in Indian rupees, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>22 Other financial liabilities</b>			
Current maturity of long term borrowings	520,509	-	-
Interest payable	41,333,359	31,878,652	17,899,199
<b>Total</b>	<b>41,853,868</b>	<b>31,878,652</b>	<b>17,899,199</b>
<b>23 Other current liabilities</b>			
Statutory dues payable	1,232,731	2,206,055	1,916,034
Advances from customers	36,158,236	-	-
Billing in excess of revenue	2,137,109	5,234,165	5,693,494
Dues to employees	2,941,570	1,538,925	-
Other dues	313,502	236,000	100,090
<b>Total</b>	<b>42,783,148</b>	<b>9,215,145</b>	<b>7,709,618</b>

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**SEI Tejas Private Limited**  
**Notes forming part of the Ind AS financial statements**  
(All amount are in Indian rupees, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>24 Revenue from operations</b>		
Sale of products	396,508,771	242,315,614
Sale of services	20,230,858	27,227,702
<b>Total</b>	<b>416,739,628</b>	<b>269,543,316</b>
<b>25 Other income</b>		
Interest income on fixed deposits/loans	9,632,506	6,122,584
Foreign exchange gain, net	1,193,868	-
Liabilities no longer required written back	10,186,069	-
Provision no longer required written back	-	13,500,000
Other Income	16,338	-
<b>Total</b>	<b>21,028,781</b>	<b>19,622,584</b>
<b>26 Consumption of materials consumed</b>		
Purchases	268,073,197	282,623,052
(Increase)/decrease in inventory	56,143,317	(88,891,365)
Erection and installation expenses	15,795,239	10,392,005
<b>Total</b>	<b>340,011,753</b>	<b>204,123,692</b>
<b>27 Employee benefit expenses</b>		
Salaries and wages	29,169,912	11,752,898
Contribution to provident and other funds	1,087,368	581,290
Staff welfare expenses	115,535	50,470
<b>Total</b>	<b>30,372,815</b>	<b>12,384,658</b>
<b>28 Finance costs</b>		
Interest expense	9,667,232	12,978,675
<b>Total</b>	<b>9,667,232</b>	<b>12,978,675</b>
<b>29 Other expenses</b>		
Freight expenses	1,506,000	-
Rent	2,122,853	3,264,615
Rates and taxes	3,163,890	2,036,876
Legal and professional charges	2,581,777	12,511,533
Repair and maintenance	727,600	710,377
Payment to auditors (refer note below)	452,621	200,000
Management service fee	6,250,000	2,335,700
Insurance	550,689	63,034
Provision for warranty	6,840,824	3,750,000
Trade receivables written off	-	3,377,073
Less: Transfer from provision for doubtful debts	-	(3,377,073)
Travelling and conveyance	9,876,230	5,342,827
Advances written off	1,439,228	3,618,290
Promotional expenses	5,144,628	1,319,911
Security charges	565,233	221,804
Communication expenses	694,262	246,683
Miscellaneous expenses	769,410	227,925
Power and fuel charges	229,855	-
Bank charge	1,033,245	24,171
<b>Total</b>	<b>43,948,345</b>	<b>35,873,746</b>





**SEI Tejas Private Limited**  
**Notes forming part of the Ind AS financial statements**  
(All amount are in Indian rupees, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Note: Payment to auditors (exclusive of taxes)</b>		
Audit fee	250,000	200,000
Tax audit fee	50,000	-
Certification and others	152,621	-
<b>Total</b>	<b>452,621</b>	<b>200,000</b>
<b>30 Tax expense</b>		
Current tax	7,400,000	3,139,137
Deferred Tax	-	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>7,400,000</b>	<b>3,139,137</b>
The major components of income tax expense and reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 27.82% and the reported tax expense in the statement of profit or loss are as follows:		
<b>30A Reconciliation of tax expense and the accounting profit multiplied by tax rate</b>		
Accounting profit before income tax	13,361,130	23,720,003
At country's statutory income tax rate of 27.55% (31 March 2018: 27.55%)	3,681,325	6,535,454
Effect of expenses that are not deductible in determining taxable profit	3,718,675	1,636,297
Effect of income that are not included in determining taxable profit	-	(5,032,614)
<b>Income tax recognised in profit or loss</b>	<b>7,400,000</b>	<b>3,139,137</b>
<b>30B Details of Tax related asses and liabilities are</b>		
	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
Taxes receivable	26,126,080	29,875,383
Provision for taxation	(30,383,018)	(22,285,559)
<b>Total</b>	<b>(4,256,938)</b>	<b>7,589,824</b>
	<b>For the year ended 31 March 2019</b>	<b>For the year ended 31 March 2018</b>
<b>31 Earnings per share (EPS)</b>		
a) Net profit/(loss) attributable to equity shareholders for calculation of EPS	5,939,111	20,580,866
b) Weighted average number of equity shares outstanding during the period	7,215,250	6,551,475
c) Basic and diluted earnings per share	0.82	3.14

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**SEI Tejas Private Limited****Notes to standalone financial statements for the year ended 31 March 2019**

(All amount are in Indian rupees, unless otherwise stated)

**32 First time adoption of Ind AS**

The Company has prepared its first Indian Accounting Standards (Ind AS) compliant Financials Statements for the period commencing April 1, 2017 with restated comparative figures for the year ended March 31, 2018 in compliance with Ind AS. The Company had prepared these financial statements in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 as it become a subsidiary of a listed company during the current year. Accordingly, the Balance Sheet, in line with Ind AS transitional provisions, has been prepared as at April 1, 2017, the date of Company's transition to Ind AS. In accordance with Ind AS 101, *First time Adoption of Indian Accounting Standards*, the Company has presented below a reconciliation of net profit as presented in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to total comprehensive income for the year ended March 31, 2018 and reconciliation of shareholders funds as per the previous GAAP to equity under Ind AS as at March 31, 2018 and April 1, 2017. There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

**Exemptions availed**

Ind AS 101 allows first- time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. The company has availed the following exemptions :

1. Ind AS 101 provides that if it is impracticable ( as defined in Ind AS 8) for an entity to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or financial liability at the date of transition to Ind ASs shall be the new gross carrying amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind ASs. The Company has elected to avail this exemption and measure the fair value of the financial assets and financial liabilities on the date of transition.

2. Ind AS 103, *Business Combinations*, has not been applied to acquisition of subsidiaries, which are considered as "businesses" for Ind AS that occurred before 1 April 2017. Use of this exemption means that the previous GAAP carrying amounts of assets and liabilities, which are required to be recognised under Ind AS, is their cost at the date of the acquisition . After the date of the acquisition , measurement is in accordance with Ind AS.

The are no significant differences between the previous GAAP and Ind AS and hence no reconciling items have been identified.

**33 Contingent liabilities**

	As at 31 March 2019	As at 31 March 2018
(a) Contingent liabilities - in respect of Income Tax		
For Assessment year 2015-16	11,383,857	-
(b) Bank guarantees outstanding	102,603,483	59,819,996

**34 Related party transactions****A. List of related parties****Name of the related party and nature of relationship**

Nature of relationship	Name of the related party*
Ultimate Holding company	Sherisha Technologies Private Limited (until August 28, 2018)
Holding Company	Refex Solar (S) Pte Ltd (until August 28, 2018) SunEdison Infrastructure Limited (from August 29, 2018)
Fellow subsidiaries	SEI Solartech Private Limited Ishaan Solar Power Private Limited
Entities in which shareholders exert significant influence	Refex Industries Limited Refex Energy Limited Refex Solar Power Private Limited Sherisha Technologies Private Limited (from August 29, 2018) Sun Edison Research Private Limited SunEdison Energy India Private Limited
Key management personnel	Shailesh Rajagopalan Arun Dinesh Kumar Agarwal

\* as identified by the management and relied upon by the auditors





**SEI Tejas Private Limited**
**Notes to standalone financial statements for the year ended 31 March 2019**

(All amount are in Indian rupees, unless otherwise stated)

**B. Transactions with related parties**

Nature of the transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations	Ishaan Solar Power Private Limited	198,427,151	70,123,595
	Refex Solar Power Private Limited	-	42,960,320
	Refex Industries Limited	36,918,890	-
	Sherisha Technologies Private Limited	5,265,500	-
Purchase of goods	SunEdison Infrastructure Limited	24,922,032	-
	Sherisha Technologies Private Limited	-	1,583,712
	Refex Energy Limited	-	16,994,531
	Refex Industries Limited	145,434,692	2,457,628
Finance cost	Ishaan Solar Power Private Limited	6,428,953	10,945,000
	SEI Solartech Private Limited	1,456,806	1,819,175
	Refex Solar Power Private Limited	86,773	-
	Sun Edison Research Private Limited	119,451	165,000
	SunEdison Energy India Private Ltd	1,362,725	49,500
Interest income	Refex Energy Limited	320,672	-
Expenditure incurred by	Refex Industries Limited	6,112,136	579,367
	Refex Solar Power Private Limited	494,013	8,351,848
	Refex Energy Limited	51,974	-
	Sherisha Technologies Private Limited	42,169	-
Expenditure incurred for	SunEdison Infrastructure Limited	79,415	-
	Ishaan Solar Power Private Limited	920,338	-
Short term loans borrowed	Sherisha Technologies Private Limited	217,009,190	167,533,809
	Refex Solar Power Private Limited	-	3,700,000
	Ishaan Solar Power Private Limited	14,290,000	-
	SEI Solartech Private Limited	13,345,000	10,280,000
	SunEdison Energy India Private Ltd	107,546,557	-
	SunEdison Infrastructure Limited	114,922,950	-

**C. Balance as at year end**

Nature of the transaction	Name of related party	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Trade receivable	Refex Solar Power Private Limited	127,829	45,099,148	-
	Ishaan Solar Power Private Limited	-	42,591,684	74,471,575
Advance from customer	Ishaan Solar Power Private Limited	36,058,236	-	-
Short term borrowings	Ishaan Solar Power Private Limited	13,672,638	99,500,000	99,500,000
	SunEdison Energy India Private Ltd	107,546,557	450,000	450,000
	Sun Edison Research Private Limited	1,482,500	1,500,000	1,500,000
	Sherisha Technologies Private Limited	-	86,875,191	-
	Refex Solar Power Private Limited	-	3,700,000	-
	SEI Solartech Private Limited	-	18,087,000	7,807,000
Trade payable	SunEdison Energy India Private Ltd	104,360,053	118,599,954	101,174,016
	Ishaan Solar Power Private Limited	-	1,962,380	1,962,380
	Refex Industries Limited	418,989	696,407	-
Advance paid to suppliers	SunEdison Infrastructure Limited	39,415	-	-
	Sherisha Technologies Private Limited	25,067	-	-
Interest accrued and due	Ishaan Solar Power Private Limited	28,225,231	21,796,278	6,665,955
	SEI Solartech Private Limited	3,353,448	1,896,642	77,466
	Sun Edison Research Private Limited	356,463	237,012	72,012
	SunEdison Energy India Private Ltd	1,434,073	71,348	21,848
	Refex Solar Power Private Limited	86,773	-	-
Loans and advances	Refex Energy Limited	11,826,219	5,749,543	-



35 Disclosure of Employee benefit obligations:

	Compensated absences plan		Gratuity	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
<b>Components of employer's expense:</b>				
Current service cost	278,391	-	453,218	232,649
Past service cost	-	-	-	-
Interest cost	-	-	18,133	-
Actuarial losses/ (gains)	-	-	-	-
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>278,391</b>	<b>-</b>	<b>471,351</b>	<b>232,649</b>

Changes in the Defined Benefit Obligation (DBO) during the year:

	Compensated absences plan		Gratuity	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Present value at the beginning of year	-	-	263,598	-
Interest cost	-	-	18,133	-
Service cost	278,391	-	453,218	263,598
Benefits paid	-	-	-	-
Actuarial (gains)/losses	-	-	22,019	-
<b>Present value at the end of year</b>	<b>278,391</b>	<b>-</b>	<b>756,968</b>	<b>263,598</b>

<b>Liability recognised in the balance sheet</b>	<b>278,391</b>	<b>-</b>	<b>756,968</b>	<b>263,598</b>
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	Compensated absences plan		Gratuity	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Current portion	-	-	-	-
Non-current portion	278,391	-	756,968	263,598
	<b>278,391</b>	<b>-</b>	<b>756,968</b>	<b>263,598</b>

Actuarial assumptions:

Discount Rate	7.75%	7.80%	7.75%	7.80%
Expected rate of return on assets	NA	NA	NA	NA
Expected rate of salary Increase	10% pa for the first three years and 7.5% pa thereafter	10% pa for the first three years and 7.5% pa thereafter	10% pa for the first three years and 7.5% pa thereafter	10% pa for the first three years and 7.5% pa thereafter

Attrition Rate

Upto 30 years	3.00%	3.00%	3.00%	3.00%
31-44 years	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%
Mortality (% of IALM 06-08)	100%	100%	100%	100%

Sensitivity analysis

Gratuity :

	As at 31 March 2019		As at 31 March 2018	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	919,474	627,688	283,360	192,324
(% change compared to actual)	21.50%	-17.10%	21.80%	-17.30%
Salary growth rate (-/+1%)	626,737	917,640	192,009	282,816
(% change compared to actual)	-17.20%	21.20%	-17.50%	21.60%
Attrition rate (-/+ 50%)	778,930	735,142	241,790	223,710
(% change compared to actual)	2.90%	-2.90%	3.90%	-3.80%
Mortality rate (-/+10%)	756,904	757,031	232,636	232,663
(% change compared to actual)	0.00%	0.00%	0.00%	0.00%





**36 Segment reporting**

Ind AS 108 establishes standards for reporting information about operating segments and related disclosure about product and services, geographical areas and major customers. Based on 'management approach' as defined in Ind AS 108, the Board of Directors evaluates the company performance and allocates resources based on analysis of various performance indicators by business segments and geographical segments. Accordingly information has been presented both along business segment and geographical segment. The accounting principle used in the preparation of financial statements are consistently applied to record revenue and expenditure in individual segment and or as set out in the significant accounting policies.

Business segment of the company comprise of:-

- (i) Trading activities which involve buying and selling various solar components
- (ii) Engineering, procurement and construction ('EPC') - Supply, installation, commissioning and maintenance of solar water pumps

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Segments assets do not include investments and income tax assets which are managed for the Company as whole.

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment. Segments liabilities do not include borrowings and income tax liabilities which are managed for the Company as a whole.

During the previous year the Company operated in a single segment viz., EPC and hence information for such segment has been presented as part of the Balance Sheet and Statement of profit and loss.

**A. BUSINESS SEGMENT INFORMATION**

Particulars	Year ended 31 March 2019			
	Trading	EPC	Others	Total
Revenue from operations	220,544,741	196,194,887	-	416,739,628
Segment result	28,810,017	50,967,309	-	79,777,326
Unallocated income less expenses	-	-	(66,416,196)	(66,416,196)
Profit before income tax	-	-	-	13,361,130
Income tax expense	-	-	-	7,400,000
<b>Net profit</b>	-	-	-	<b>5,961,130</b>
Depreciation	-	-	407,134	<b>407,134</b>

Particulars	As at 31 March 2019			
	Trading	EPC	Others	Total
<b>B. SEGMENT ASSETS</b>				
Segment fixed assets	-	-	4,253,545	4,253,545
Other segment assets	16,928,000	191,696,156	-	208,624,156
Unallocated Corporate assets	-	-	128,995,996	128,995,996
<b>Total Assets</b>	<b>16,928,000</b>	<b>191,696,156</b>	<b>133,249,540</b>	<b>341,873,697</b>

	As at 31 March 2019			
	Trading	EPC	Others	Total
<b>C. SEGMENT LIABILITIES</b>				
Segment Liabilities	1,506,000	39,922,418	-	41,428,418
Unallocated Corporate liabilities	-	-	403,410,687	403,410,687
<b>Total Liabilities</b>	<b>1,506,000</b>	<b>39,922,418</b>	<b>403,410,687</b>	<b>444,839,104</b>
<b>Additions to segment fixed assets</b>		-	4,279,206	<b>4,279,206</b>

**Geographical Segments** - The Company has only one geographical segment viz., India.

**Details of income from major customers**

Name of customer	Year ended 31 March 2019
Ishaan Solar Power Private Limited	48%
Grassroot Trading Network for Women	15%
Refex Industries Limited	9%





### 37 Fair value measurements

#### Financial instruments by category

Particulars	As at 31 March 2019			Fair value hierarchy		
	FVPL	FVOCI	Amortised cost	Level I	Level II	Level III
<b>Financial assets</b>						
Trade receivables*	-	-	74,242,993	-	-	-
Cash and cash equivalents#	-	-	43,819,124	-	-	-
Other financial assets	-	-	117,977,760	-	-	-
<b>TOTAL ASSETS</b>	-	-	<b>236,039,877</b>	-	-	-
<b>Financial liabilities</b>						
Trade payables*	-	-	192,810,855	-	-	-
Borrowings	-	-	124,903,863	-	-	-
Other financial liabilities	-	-	41,853,868	-	-	-
<b>TOTAL LIABILITIES</b>	-	-	<b>359,568,586</b>	-	-	-

Particulars	As at 31 March 2018			Fair value hierarchy		
	FVPL	FVOCI	Amortised cost	Level I	Level II	Level III
<b>Financial assets</b>						
Trade receivables*	-	-	154,027,813	-	-	-
Cash and cash equivalents#	-	-	2,172,235	-	-	-
Other financial assets	-	-	117,034,626	-	-	-
<b>TOTAL ASSETS</b>	-	-	<b>273,234,674</b>	-	-	-
<b>Financial liabilities</b>						
Trade payables*	-	-	254,769,401	-	-	-
Borrowings	-	-	210,112,191	-	-	-
Other financial liabilities	-	-	31,878,652	-	-	-
<b>TOTAL LIABILITIES</b>	-	-	<b>496,760,244</b>	-	-	-

Particulars	As at 1 April 2017			Fair value hierarchy		
	FVPL	FVOCI	Amortised cost	Level I	Level II	Level III
<b>Financial assets</b>						
Trade receivables*	-	-	115,947,594	-	-	-
Cash and cash equivalents#	-	-	2,741,549	-	-	-
Other financial assets	-	-	100,465,489	-	-	-
<b>TOTAL ASSETS</b>	-	-	<b>219,154,632</b>	-	-	-
<b>Financial liabilities</b>						
Trade payables*	-	-	218,776,893	-	-	-
Borrowings	-	-	109,257,000	-	-	-
Other financial liabilities	-	-	17,899,199	-	-	-
<b>TOTAL LIABILITIES</b>	-	-	<b>345,933,092</b>	-	-	-

\*The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature.

# These accounts are considered to be highly liquid and the carrying amount of these are considered to be the same as their fair value.

### 38 Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and foreign currency risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary risks to the Company are credit and liquidity risk.



The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(i) Credit risk**

**Credit risk management**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**a) Provision for expected credit loss**

The company provides for loss allowance based 12 months credit loss except in the case of trade receivables which are provided based on life-time credit loss. For the assessment of 12 months of life time expected credit loss, assets are classified into three categories as standard, sub-standard and doubtful based on the counter-party's capacity to meet the obligations and provision is determined accordingly. Standard assets are those where the risk of default is negligible, sub-standard are those where the credit risk is significantly increased since inception and doubtful assets are those where the assets are impaired.

**(ii) Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company depends on its related parties for short term funds to maintain liquidity for fulfilling its working capital requirements. In addition, processes and policies related to such risks are overseen by senior management. Also refer Note 40 on going concern.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2019, 31 March 2018 and 1 April 2017:

Particulars	As at 31 March 2019			
	Less than one year	1-2 years	2 years and above	Total
Trade payables	192,810,855	-	-	192,810,855
Borrowings	124,903,863	-	-	124,903,863
Other financial liabilities	41,853,868	-	-	41,853,868
<b>Total</b>	<b>359,568,586</b>	<b>-</b>	<b>-</b>	<b>359,568,586</b>

Particulars	As at 31 March 2018			
	Less than one year	1-2 years	2 years and above	Total
Trade payables	254,769,401	-	-	254,769,401
Borrowings	210,112,191	-	-	210,112,191
Other financial liabilities	31,878,652	-	-	31,878,652
<b>Total</b>	<b>496,760,244</b>	<b>-</b>	<b>-</b>	<b>496,760,244</b>

Particulars	As at 1 April 2017			
	Less than one year	1-2 years	2 years and above	Total
Trade payables	218,776,893	-	-	218,776,893
Borrowings	109,257,000	-	-	109,257,000
Other financial liabilities	17,899,199	-	-	17,899,199
<b>Total</b>	<b>345,933,092</b>	<b>-</b>	<b>-</b>	<b>345,933,092</b>

**(iii) Foreign currency risk**

The Company's operations are largely within India and hence the exposure to foreign currency risk is very minimal.

The following table presents foreign currency risk from non-derivative financial instruments as of 31 March 2019, 31 March 2018 and 1 April

Particulars	Foreign Currency	31 March 2019		31 March 2018		01 April 2017	
		In Foreign Currency	Amount INR	In Foreign Currency	Amount INR	In Foreign Currency	Amount INR
Cash balance	Chinese Yuan	18,078	186,692	-	-	-	-



**SEI Tejas Private Limited**  
**Notes to standalone financial statements for the year ended 31 March 2019**  
 (All amount are in Indian rupees, unless otherwise stated)

**39 Disclosure of information in terms of section 186 (4) of the Companies Act, 2013 :**

Name of entity	Nature of relationship	Purpose	31 March 2019	31 March 2018	April 1, 2017
Refex Energy Limited	Refer Note 34	Working capital	4,329,072	4,008,400	-

**40 Going concern assumption**

The Company has incurred accumulated losses because of which the net worth has been completely eroded as at the balance sheet date thereby raising substantial doubt about the Company's ability to continue in operation for the foreseeable future. However, the Company is profitable for the last two years and based on the existing business plans the management is confident of continuing the business in a profitable manner. Also, some of the related parties of the Company have been according financial support in the form of short term borrowings to enable the Company to meet its working capital related obligations and the management is confident that such support will continue until such time the Company is able to meet such obligations on its own. Accordingly, these financial statements have been prepared on the going concern assumption and do not include any adjustments to the recorded amounts of assets/liabilities that may be necessary if the entity is unable to continue as a going concern.

**41** There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

**For and on behalf of the Board of Directors of**  
**SEI Tejas Private Limited**

*g.f.*

**Arun**  
 Director  
 DIN: 07824993

Place : Chennai  
 Date : 30 May 2019

*Dinesh*

**Dinesh Kumar Agarwal**  
 Director  
 DIN: 07544757

*D. Sadasivam*

**D Sadasivam**  
 Company Secretary  
 Mem No: 7316

