



**पांचवीं वार्षिक रिपोर्ट
5th Annual Report**

2015-16

सोलर एनर्जी कॉर्पोरेशन ऑफ इंडिया लि.
(भारत सरकार का उपक्रम)

SOLAR ENERGY CORPORATION OF INDIA LTD.
(A Government of India Enterprise)



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SOLAR ENERGY CORPORATION OF INDIA LTD.
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VISION:

To build 'Green India' through harnessing abundant solar radiation and to achieve energy security for the country.



MISSION:

To become the leader in development of large scale solar installations, solar plants and solar parks and to promote and commercialize the use of solar energy to reach remotest corner of India.
To become leader in exploring new technologies and their development to harness solar energy.

OBJECTIVES:

- Develop Ultra Mega and Large scale solar plants including Solar Parks
- Own, operate, develop & manage both grid connected & off grid solar installations including Rooftops
- To take up energy access programs for rural and remote areas through Solar energy
- To test new technologies in Solar through pilot projects leading to commercialization
- To exchange, distribute & trade power in furtherance of JNNSM goals
- To promote integrated power generation projects of Solar with conventional & renewable sources.



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BOARD OF DIRECTORS



Upendra Tripathy
Chairman



Dr. Ashvini Kumar
Managing Director & Director (Solar)



Rakesh Kumar
Director (Power Systems)



C. Kannan
Director (Finance)



Rajeev Bhardwaj
Director (HR)

BOARD OF DIRECTORS





Chairman's Speech for 5th Annual General Meeting

Dear Members,

I welcome you all to the 5th Annual General Meeting of Solar Energy Corporation of India Limited being held today, the 26th of September, 2016. It gives me immense pleasure to share with you the exemplary performance of your company during this financial year 2015-16 - a harbinger of the heights that this company can achieve in coming years.

This year has been a golden year for the renewable energy sector-both globally and in India. Renewable energy capacity addition and investments have set new records, with 118 GW installed in wind and solar energy and nearly \$286 billion invested in the RE sector . For the first time, more than half of all added power generation capacity globally has come from renewables.

The world has seen two major events this year – the COP-21 Summit in Paris, setting the stage for global commitments for multi-governmental strategic decisions, and the launch of International Solar Alliance - bringing together more than 120 nations between Tropic of Cancer and Tropic of Capricorn along with sentiments on an unprecedented level for the noble cause of solar energy generation in an environmentally sustainable way. Together, these events have the potential to transform the world's energy platform and usher in an era of inclusive, clean and sustainable development.

The RE sector back home has championed these global trends - with the government steadfastly adhering to its 175 GW commitment, through a combination of policy, price and progressive monitoring mechanisms. At an installed capacity of 42.8 GW (as of March, 2016), the RE sector has registered a year-on-year growth of 35 %.

Your company has played a significant role towards this growth. Large scale ground-mounted solar projects aggregating 530 MW under the first VGF Scheme of JNNSM and rooftop solar projects aggregating 21 MW capacity have been commissioned. Tenders have been released for 5596 MW, worth about Rs. 33,576 Cr. Your company has also commissioned its first own solar power project in Rajasthan of 10 MW capacity.

On the financial front, with a total revenue of Rs. 579 Cr. and PAT of Rs. 19.1 Cr. in its 5th year of existence (and 2nd year of profitability), your company has set the trajectory for robust growth.

This year, SECI has expanded its consultancy business, enhancing its project pipeline for execution of solar projects on turnkey basis, and has already released Notice Inviting Tender (NIT) for 877 MW. Some of the notable clients include Coal India Ltd., IREDA, Indian Ports Association and Ordnance Factory Board.

As a prominent domestic solar power trader, SECI has traded 954 Million units from the projects commissioned this year across 15 states under the Government's VGF schemes.

Post the success of SECI's initial schemes, your company has been allocated next phases of 2000 MW and 5000 MW capacity of large-scale projects under VGF schemes and 1500 MW capacity under rooftop schemes. These schemes are currently under various stages of implementation.

There have been some important developments in recent times bringing in new potential and prospects of growth for your company. SECI has ventured into wind energy segment and is poised to bring out a tender for procurement of 1000 MW CTU-connected wind power on competitive basis, which in itself is a pioneering effort and its success would further lead to pace of development of wind power in the country. The company has also taken up development of about 400 MW capacity of power based on innovative and emerging concepts of hybridization of solar with wind and floating solar PV with or without battery storage with World Bank support.

SECI has started working on creating an overseas arm to take Indian solar expertise beyond its borders. This move in conjunction with establishment of the International Solar Alliance can lead to a spur in solar energy deployment globally, more particularly in South-Asian Countries and Africa, thus catalysing the entire supply chain - from manufacturing to engineering works to operations.

Solar energy has firmly established itself as a potent solution for climate-resilient development. Large number of stakeholders and public in general are motivated to make use of this benign source of energy. It is clear that the RE Sector is the key to transformation of India's energy scenario drastically improving its energy security. The sector is booming, and SECI is in the midst of this momentum.

In spite of the optimism around, some challenges do remain for your Company. Keeping pace with developments in the fast-moving technology space, introducing innovative business model and adapting its systems and processes in tune with changing times would be key to SECI's continued success and growth aspirations. Ensuring highest degree of quality and reliability in its installations would also be important. SECI is continued to follow the best Corporate Governance practices. A report on Corporate Governance, already mentioned in the Directors report. SECI being a young organization with a mix of experienced professional and aspiring young talent, I expect it to succeed well.

I would like to express my sincere gratitude to the Government of India, especially the Ministry of New and Renewable Energy, Ministry of Finance, Ministry of Power, Ministry of Urban Development, Ministry of Shipping, Cabinet Secretariat, the State Governments, Central and State Regulatory Commissions and State Nodal Agencies. Our special thanks go to the valued partners, namely, Coal India Ltd., IREDA, THDC, Airports Authority of India, Ordnance Factory Board and many other clients for their confidence in SECI's capabilities to help them in setting up solar projects. I would also like to thank Solar Project Developers and EPC Partners who have stood with us in our endeavour to achieve National Target. I also take this opportunity to congratulate the dedicated team of SECI for rapidly turning the emerging potential into reality.

Yours sincerely,

**Sd/-
(Upendra Tripathy)
Chairman
DIN No. 02942700**

Place: New Delhi

Date: 26th September, 2016

NOTICE OF AGM

Notice is hereby given that Fifth Annual General Meeting of the Members of the Solar Energy Corporation of India Limited will be held on 26th September, 2016 (Monday) at 2.45 p.m. in the Conference Room, Ministry of New and Renewable Energy, Block 14, CGO Complex, New Delhi.

ORDINARY BUSINESS

Item No. 1.

To receive, consider and adopt the audited Balance Sheet as at 31st March 2016 and Statement of Profit & Loss Account for the financial year ended on that date together with Report of the Board of Directors and Auditors Report thereon (Standalone and Consolidated Financial Statements) .

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution: -

“RESOLVED THAT the Audited Balance Sheet & Profit and Loss Account and Cash Flow Statement (along with the Accounting Policies and notes to the accounts) for the financial year ended March 31, 2016 along with the Auditor’s Report (Standalone and Consolidated Financial Statements) and the Directors’ Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.”

Item No. 2.

To declare the dividend of Rs. 9.36 per equity share for the financial year ended March 31, 2016.

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT, dividend of Rs. 9.36 per equity share on 20,40,000 equity shares, as recommended by the Board of Directors of the Company, for the year ended March 31, 2016, be and is hereby declared and the same be paid to the eligible members of the Company.”

Item No. 3.

To consider the fixation of remuneration of M/s. R.S.P.H. & Associates as Statutory Auditors for the Financial Year 2016-17.

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution: -

RESOLVED THAT, M/s R.S.P.H. & Associates, Chartered Accountants, who has been appointed as the Statutory Auditor of Solar Energy Corporation of India Limited by the C & AG for the financial year 2016-17 vide Letter No CA.V/CENTRAL GOVERNMENT.SECI(0)/1010 dated 12.08.2016, shall be paid the consolidated fee of Rs. 3,00,000 + out of pocket expenses not exceeding 10% of the fee + taxes as applicable, for the financial year 2016-17.

FURTHER RESOLVED THAT, Managing Director, be and is hereby authorised to finalize the terms of engagement with M/s R.S.P.H. & Associates, Chartered Accountants for any change in the remuneration and to do such other acts or deeds incidental or ancillary in connection therewith.”

SPECIAL BUSINESS

ITEM NO.4

To consider to increase the Statutory Audit Fee from Rs. 60,000/- to Rs. 2,50,000/- (Standalone Financial Statements) and Rs. 50,000/- (for Consolidated Financial Statements) + out of pocket expenses not exceeding 10% of the fee + service tax as applicable for the financial year 2015-16

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as Special Resolution: -

RESOLVED THAT, Audit fee of M/s L D Saraogi & Co., Chartered Accountants, (who has been appointed as the Statutory Auditor of Solar Energy Corporation of India Limited by the C& AG for the financial year 2015-16 vide Letter No CA.V/COY/CENTRAL GOVERNMENT, SECI(0)/532 dated 16.07.2015), be and is hereby increased from Rs. 60,000 (Rupees Sixty Thousand) + out of pocket expenses not exceeding 10% of the fee + service tax as applicable, to Rs. 2,50,000/- (Standalone Financial Statements) and Rs. 50,000/- (for Consolidated Financial Statements) + out of pocket expenses not exceeding 10% of the fee + service tax as applicable for the financial year 2015-16.

ITEM NO.5

To consider approval for contribution of 1 Million USD (around 6.8 crore on present exchange rate) to International Solar Alliance during the financial year 2016-17

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolutions as Special Resolution: -

RESOLVED THAT, contribution, by the Board of Directors of Solar Energy Corporation of India Limited, of 1 Million USD (around 6.8 crore on present exchange rate) to International Solar Alliance during the financial year 2016-17, be and is hereby authorised.

FURTHER RESOLVED THAT, the said amount of equivalent to USD 1 Million, be released to the Solar Energy Institute(NISE), which shall be kept by NISE in a separate bank account for International Solar Alliance and annual interest of which can be utilized for related expenditures in connection therewith.”

FURTHER RESOLVED THAT, Managing Director, Solar Energy Corporation of India Limited, be and is hereby authorized to do all other necessary acts and deeds incidental and ancillary in connection therewith.

By Order of the Board of Directors

**Sd/-
(S.K. Gupta)
Company Secretary**

Place: New Delhi

Date : 26.09.2016

NOTE:

1. A Member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself/herself and proxy need not be a Member of the Company. A proxy form is enclosed.

Explanatory Statement pursuant to Section 102 of the Companies Act 2013

ITEM NO.4

To consider to increase the Statutory Audit Fee from Rs. 60,000/- to Rs. 2,50,000/- (Standalone Financial Statements) and Rs. 50,000/- (for Consolidated Financial Statements) + out of pocket expenses not exceeding 10% of the fee + service tax as applicable for the financial year 2015-16

M/s L D Saraogi & Co., Chartered Accountants was appointed by the C & AG for the financial year 2015-16 vide letter No CA.V/COY/CENTRAL GOVERNMENT, SECI(0)/532 dated 16.07.2015. The Statutory Audit fee for the financial year 2015-16 was fixed at Rs. 60,000 (Rupees Sixty Thousand) + out of pocket expenses not exceeding 10% of the fee + service tax as applicable based on the recommendation of the proposal placed during the 6th Audit Committee meeting and further approved during 4th Annual General Meeting of the Company held on 12th August, 2015.

Subsequent to the appointment, the Company has been converted into Section 3 Company under the Companies Act, 2013 and has accordingly functioning as commercial Organisation, whereas the appointment was done for Statutory Audit of Solar Energy Corporation of India as Section 8 Company and subsequently the nature of the Company has completely changed leading to increase in statutory compliances, significantly additional work and reporting requirement under the Companies (Auditors' Report) Order, 2016.

The Auditors are also required to report for FY 2015-16, whether the Company has adequate internal financial controls, system in place and operating effectiveness of such control which reporting requirement was not applicable during FY 2014-15.

In addition, the Auditors are also required to express audit opinion on both Standalone and Consolidated Financial Statements of FY 2015-16 thereby increasing the scope of work for the FY 2015-16 as compared to FY 2014-15 for which the Auditors were required to express opinion only on Standalone Financial Statements.

In view of the significant increase of work and reporting requirements, M/s. L D Saraogi & Co., the Statutory Auditors of the Company vide their letter dated 15th June, 2016 submitted a representation for increase in the Statutory Audit fee for the FY 2015-16 at Rs. 5,25,000/- exclusive of applicable service tax.

Based on the recommendation of the 7th audit Committee Meeting, the Board of Directors of SECI in its 20th Meeting held on 28th July, 2016, subject to the approval of the Shareholders in the General Meeting, recommended for increase in the Statutory Audit Fee from Rs. 60,000/- to Rs. 2,50,000/- (Standalone Financial Statements) and Rs. 50,000/- (for Consolidated Financial Statements) + out of pocket expenses not exceeding 10% of the fee + service tax as applicable for the financial year 2015-16.

In view of the above, the members are requested to approve the aforesaid proposal by passing a Special Resolution for the same.

ITEM NO.5

To consider approval for contribution of 1 Million USD (around 6.8 crore on present exchange rate) to International Solar Alliance during the financial year 2016-17

Hon'ble Minister of State (Independent Charge) for Power, Coal, New & Renewable Energy and Mines Sh. Piyush Goyal announced for contribution to International Solar Alliance (ISA) during the high profile ISA function on 25th Jan, 2016 in the presence of International Dignitaries such as French President from the dais in NISE.

Contribution to ISA will provide an opportunity to SECI to speak for one hour every year on complementary basis for casting company's programme and profile on ISA Cyber Channel to 121 Countries. Further, SECI will

also get opportunity to organize WEBINAR through ISA network to transmit its programme and to interact with stakeholders and citizens across ISA Member Countries. SECI will also get opportunity to submit insights and opinion articles in ISA Journals. Further, SECI will be special invitee in all the ISA organized exhibitions/ seminar/ symposia, etc in the decades to come.

It was observed that above mentioned privileges will enable SECI to discover new business opportunities at the global level, particularly business in Africa for which Government of India has earmarked 2 billion US \$ in next five years and SECI has a target of US \$ 100 million during next 5 years.

Contribution to International Solar Alliance has already been approved by way of Circulation Resolution No. 5/2015-16 vide note dated 24/01/2016. Further, MNRE vide its OM dated 15th July, 2016 requested SECI that the rupee equivalent of US \$ 1 Million, as committed, may be released to the National Institute of Solar Energy (NISE). NISE will keep the amount in a separate account for ISA purposes, the annual interest of which ISA can utilise for expenses.

The Board in its 20th Meeting held on 28th July, 2016 approved the Contribution to International Solar Alliance of 1 million US \$ (around Rs. 6.8 crore with the present exchange rate) during the FY 2016-17 subject to approval of Shareholders in the next General Meeting / Annual General Meeting.

In view of the above, the members are requested to approve the aforesaid proposal by passing a Special Resolution for the same.

By Order of the Board of Directors

**Sd/-
(S.K. Gupta)
Company Secretary**

Place: New Delhi

Date : 26.09.2016

PROXY FORM

I/We S/o
In the district of being a member of the above named company hereby
appoint S/o in the district of
..... Or failing him / her S/o
In the district of as my proxy to vote for me and on my behalf at the 5th Annual General
Meeting of the Company to be held on the, 2016 (.....day) at hrs. and at
any adjournment thereof.

Signed this day of, 2016.

Signature

NOTE :

The proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a shareholder of the Company.

DIRECTORS' REPORT 2015-16

To
The Members,
Solar Energy Corporation of India Limited

The Directors have pleasure in presenting before you the 5th Annual Report on the business and operations of the company along with the Audited Financial Statements for the Financial Year ended on 31st March, 2016.

PERFORMANCE HIGHLIGHTS

The highlights of the performance of the company for financial year 2015-16 are mentioned hereunder with comparative position of the previous year's performance:

Particulars	Amount (Rs. in lakhs)	
	For the Financial Year Ended 31st March, 2016	For the Financial Year Ended 31st March, 2015
Share capital	20,400.00	10,335.00
Net Worth	22,114.70	10,400.30
Total Revenue	57,912.25	4,009.65
Profit/(Loss) Before Tax	3,246.85	1,191.94
Profit/(Loss) After Tax	1,910.14	1,059.70

FINANCIAL PERFORMANCE

Net profit of the company for the financial year ended 31st March'2016 has increased by 80.19% from Rs 10.60 Crores to Rs 19.10 Crores and net worth of the company as on March 31st, 2016 has increased by 112.64% from Rs 104 Crores to Rs 221.15 Crores.

DIVIDEND

The Company proposes a dividend of 10% of PAT which is subject to the approval of the shareholders of the Company.

SHARE CAPITAL

The issued and paid up capital of the Company as on March 31st, 2016 was 20,40,000 equity shares of Rs 1000/- each against authorised share capital of Rs 2,000 Crores divided into 2,00,00,000 shares of Rs.1,000/- each. During the Financial year 2015-16, company has allotted 10,06,500 shares to the President of India. The President of India holds 100% of the paid up equity share capital of the company.

FUND AND NON FUND BASED FACILITY

The Company has been sanctioned a term loan of Rs 49 Crore from State Bank of India, against the mortgage of 10 MW Solar PV Project assets, set up at Rajasthan. The Company has also been sanctioned non fund based facility of Rs 50 Crore each from HDFC Bank Limited, ICICI Bank Limited and State Bank of India. The limit sanctioned by HDFC Bank Limited and State Bank of India is against hypothecation of all present and future receivables.

GRID CONNECTED SOLAR POWER PROJECTS THROUGH VGF SUPPORT

750 MW VGF Scheme

SECI has implemented the first VGF scheme under JNNSM (Phase II, Batch I) successfully and has been able to commission aggregate capacity of 680 MW of large-scale solar PV projects across 7 states of the country in the year under consideration.

This scheme was brought out by MNRE in the year 2013 and was based on the concept of providing viability gap funding to the developers to generate solar power at pre-determined tariff of Rs. 5.45 per kWh for 25 years. The capacity was equally distributed between open sourced solar cells/ modules and domestically manufactured solar cells/ modules.

Under the scheme, the developers were selected through a transparent competitive reverse-bidding process.

PPAs were signed for 700 MW capacity (45 projects), however, projects only with aggregate capacity of 680 MW could attain financial closure. 150 MW capacity projects reported early commissioning due to regular progress monitoring and timely interventions to remove bottlenecks in the development of projects.

SECI signed PPAs with selected developers and PSAs back-to-back with buying Discoms, as a means to reduce payment risks and thereby encourage investments in solar energy. In order to cover payment risks to the developers, a Payment Security Mechanism (PSM) was also established. This scheme promoted large-scale interstate transfer of solar power for the first time in India.

All the projects are under commercial operation and VGF of Rs. 481 Cr. has been released by SECI.

2000 MW VGF Scheme

Based on the success of first batch of VGF scheme, MNRE allocated second batch of 2000 MW capacity to SECI for implementation. Taking cognizance of falling prices of solar, the tariff for purchase of solar power by SECI from the developers under this batch was reduced to Rs. 4.43 per kWh fixed for 25 years. The Discoms were supplied solar power at a tariff of Rs. 4.50 per kWh. In order to take benefit of development of Solar Parks, the projects were allowed to be set up in the solar parks being developed by states or outside solar parks wherever parks were not foreseen to be ready.

Another feature of this batch was focus on States, instead of inter-state transmission of power. Therefore, this scheme is being implemented through state-specific tenders under electronic reverse-bidding and reverse-auction mode. During the year, NITs have been issued for 2685 MW capacity by SECI in the States of Maharashtra (450 MW), Uttar Pradesh (550 MW), Andhra Pradesh (500 MW), Karnataka (1000 MW), Chhattisgarh (100 MW), Puducherry (35 MW) and Himachal Pradesh (50 MW). This capacity had a component of 250 MW under the category of domestically manufactured cells and modules. 450 MW capacity in Maharashtra was awarded (Till 31st March, 2016).

5000 MW VGF Scheme

Based on the overwhelming market response to the VGF Schemes, another batch of 5000 MW capacity was approved by MNRE during the year. The Scheme envisaged 1250 MW capacity during each year starting 2015-16. As on 31st March, 2016, SECI has issued NITs for selection of developers for 1900 MW capacity in the States of Gujarat (250 MW), Odisha (500 MW), Andhra Pradesh (650 MW) and Maharashtra (500 MW). This scheme also provided purchase of solar power by SECI from selected developers at a fixed tariff of Rs. 4.43 per kWh for 25 years and supplied to Discoms at Rs. 4.50 per kWh. The projects are being set up either in the solar parks being developed by states or are non-solar park based.

Canal Top/ Canal Bank Scheme

In order to explore alternative to land with a view to increase penetration of solar power, a pilot scheme involving Canal-top and Canal-banks scheme was launched by MNRE with a total capacity of 100 MW. SECI was designated as the Nodal Agency for implementation, and the role of the company has been to oversee the implementation of projects in various states and provide CFA based on progress related milestones. Projects are being developed in 8 states viz. Punjab, Uttar Pradesh, Uttarakhand, Gujarat, Andhra Pradesh, Karnataka and West Bengal, and are under different stages of implementation. CFA of Rs. 43 Cr. has been disbursed by SECI (Till 31st March, 2016).



NREDCAP-1MW CT-1

Defence Scheme

With a view to encourage defence establishments to set up solar power projects, the Ministry launched a VGF scheme with a total target capacity of 300 MW. SECI was designated as the implementing agency. In order to facilitate development of projects, SECI has been actively interacting with various organizations including Ordnance Factory Board, Military Engineering Services, Border Security Forces, Cantonment Boards and Air Force Stations, etc. Feasibility assessments have been carried out for many of these establishments. RfS documents for selection of developers for 7 MW capacity has been released by SECI (Ordnance Factory Board, Ambajhari and Ordnance Factory Board, Bhandara) and contracts have been awarded. RfS documents for selection of EPC contractor for 15 MW capacity has been released by SECI (Bharat Electronic Ltd.) in the year under consideration.

CPSU Scheme

As a part of various Government initiatives, MNRE targeted CPSUs to motivate them to set up solar power projects. The target capacity of the scheme was 1000 MW and it envisaged to provide a CFA of Rs.1 Cr./MW and Rs.0.5 Cr./MW to CPSUs for developing solar power projects based on use of domestically manufactured solar cells/modules and domestically manufactured solar modules, respectively. SECI has been designated as the Nodal Agency for implementing this scheme. As on 31st March, 2016, 257 MW capacity was under implementation. CFA of Rs. 125 Cr. has been released by SECI.

GRID CONNECTED ROOF-TOP SCHEME

Your company has been assigned the implementation of MNRE flagship rooftop scheme(s) as a Nodal Agency. The Company is playing a catalytic role for the growth of this high potential solar roof-top PV segment by way of open competitive bidding process, creating conducive environment for implementation of the scheme, simplifying processes towards 'Ease of Business', creating awareness among various stakeholders through conferences / workshops / round tables etc., encouraging MNRE channel partners, new entrepreneurs and SMEs and also creating a robust monitoring /verification/inspection protocol.

Multiple schemes have been launched or are in the process of being launched to target various sectors in consultation with MNRE. The sectors presently entitled for subsidy are residential, educational, health & social sectors. An achievement-based incentive scheme for Government Ministries, Departments, Central and State PSUs has also been notified and the scheme is in the process of implementation.

Your Company is also working out a business model for industrial and commercial segment, wherein no subsidy is available. The generated solar power is utilized mostly for own consumption with a view to become environment-friendly by reducing drawl of conventional grid power and the surplus power, if any, is fed to the grid.

During the Financial Year 2015-16, SECI implemented schemes involving both the CAPEX and RESCO Models. The noteworthy schemes are as follows:

- Against 24 MWp capacity (with 15% subsidy), LoAs were issued for a capacity of 19.5 MWp. This included 1 MWp capacity with SECI ownership for 12 Government buildings of Andaman & Nicobar Administration under RESCO.
- Against 50 MWp Rooftop Grid-Connected Scheme in RESCO mode for CPWD/Government owned-buildings, a total of 42.75 MWp aggregate capacity was allocated to various successful vendors.

As per the MOU targets for FY 2015-16 signed with MNRE/DPE, a total of 50 MWp was to be allocated by SECI against which a total of 62.25 MWp was allocated to successful vendors.

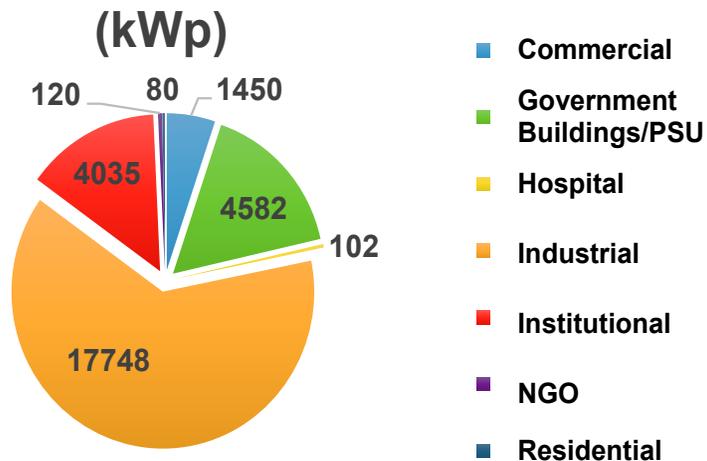
During FY 2015-16, a total 156 number of projects across the country were undertaken with aggregate capacity of 30.6 MWp. More than 28 MWp capacity were commissioned till the end of Financial Year.

Some of the large rooftop projects (≥ 500 kWp) at single location are listed below:

Sl. No.	State	Location	Capacity (kWp)
1	Delhi	Pushpa Bhavan, New Delhi	500
2	Gujarat	M/s Tata Motors Ltd, Nano Plant	500
3	Maharashtra	Asahi India Glass Limited Navi Mumbai	500
4		M/s SKF India Ltd. Pune	775
5		M/s Tata Motors Ltd., Pune	500
6	Punjab	M/s JCBL Ltd. Mohali	1000
7	Rajasthan	M/s Manipal University, Jaipur	504
8	Tamil Nadu	M/s Asahi India Glass Ltd., Kanchipuram	970
9		TVS Motor Company Ltd., Hosur	1000
10		M/s Vellore Institute of Technology, Vellore	500
11		M/s Madura Coats Private Limited, Tirunelveli	500
12	Uttar Pradesh	Lucknow Airport	500
13		Haldiram Snacks (P) Limited, Noida	500
Total			8249

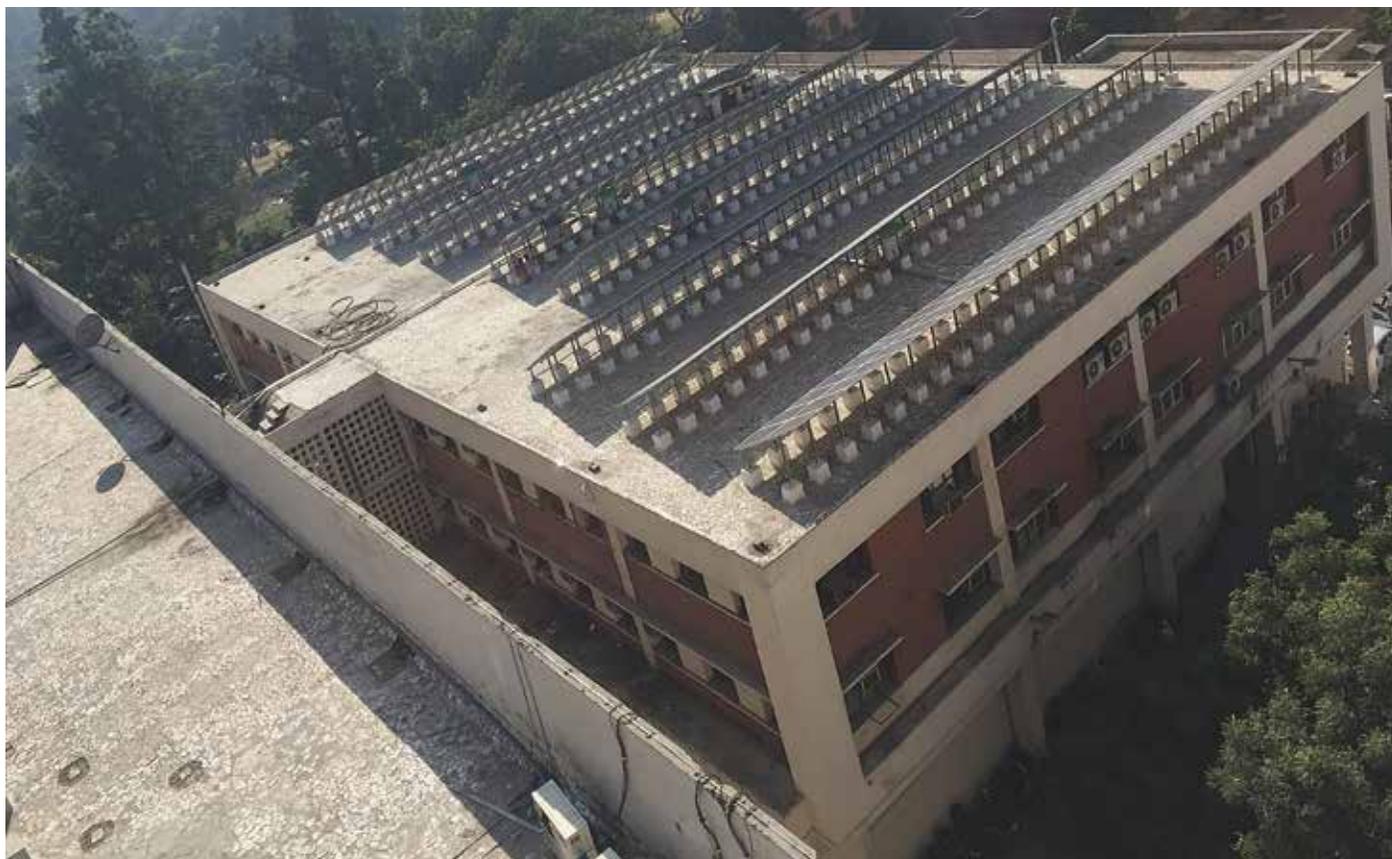
The details of sector-wise deployment of solar rooftop capacity during FY 2015-16 is given below.

Sector wise commissioned



As can be seen, the maximum rooftop capacity was implemented on Industrial and Commercial segment (>60%) followed by Government Buildings (~15%) & Institutions (~15%) among others.

Some of the landmark Government buildings in New Delhi commissioned during the financial year are UPSC (100 KWp), Pushpa Bhawan (500 KWp), Nirman Bhawan (200 KWp), Shastri Bhawan (250 KWp), Sewa Bhawan (100 KWp), East Block (250 KWp) and CGO Complex (150 KWp)



Solar Power panels installed at Governments building (Shastri Bhawan, New Delhi)

The work is in advance stage of completion for Vigyan Bhawan (160 KWp), Krishi Bhawan (200 KWp), Shram Shakti Bhawan (125 KWp), IP Bhawan (220 KWp), Vidyut Bhawan (80 KWp), Transport Bhawan (70 KWp), GPO INA (150 KWp) & Safdarjung Hospital (232 KWp)

The competitive process adopted by SECI for rooftop scheme has resulted in significant price reduction. The MNRE benchmark price of Rs. 130/W in year 2013-14 has come down by about 40% to Rs. 75/W by 2015-16. These projects, extended to Tier-1, Tier-2 and Tier -3 cities have given wide publicity to the rooftop scheme and has generated lot of awareness & interest, more particularly from the general public. About Rs. 40 crores Central Financial Assistance has been disbursed to the successful vendors during FY 2015-16.

Your Company has also recently entered into MoUs with various Government Departments/ PSUs such as Ministry of Culture (MoC), NIFTEM, Banaras Hindu University (BHU) for mainly implementing rooftop projects.



Director (PS) Signing MoU with NDMC

Under Smart City Program, Ministry of Urban Development, Government of India had identified 20 cities in Phase-I and 13 cities in Phase-II. As per the program, the Smart Cities are required to achieve 10% of their consumption through renewable energy sources by the year 2022. SECI was identified as a Nodal Agency to assist various City Municipal Corporations in meeting the above target.



Director (PS) signing MoU for insatallation of Solar Projects in Indore Smart City

Thus, your Company has taken initiatives towards signing of MoUs with Municipal Corporations of declared Smart City and has already entered into MoUs with Varanasi, Surat, Bhopal, Indore, NDMC and Udaipur.



Signing of MoU between Solar Energy Corporation of India Limited and Surat Municipal Corporation

In the month of April 2016, MNRE has given to your Company the sanction of 500 MW rooftop capacity under 30% subsidy scheme. The scheme, one of the largest in the world, covers Residential, Institutional and Social Sectors. In addition, Company has been given a sanction of 500 MW rooftop scheme for Commercial and Industrial segment (without subsidy) and 1000 MW rooftop scheme exclusively for Government, and PSUs, both Central and State with an achievement-based incentive of upto 25% which is in the RFS stage.

Thus your Company is geared up for achieving the mandate given by MNRE towards successful implementation of National Solar Mission.

SOLAR PARKS SCHEME

With a view to fast pace development of solar power projects, the concept of Solar Park was brought in and MNRE launched a specific scheme targeting 20,000 MW capacity in so developed Solar Parks. The basic idea is to identify the large chunk of land by the State and construct infrastructural facilities, such as, for power evacuation, roads, water, etc. by Solar Park Implementation Agency. The scheme received overwhelming response and 34 Solar Parks of 20,000 MW capacity have been approved. The development of these Solar Parks is under various stages of implementation, however, the concept has triggered interest in solar power in most of the States. SECI is the nodal agency for implementation of this Scheme. These parks are being developed either by State Government agencies or private entities or JV companies of SECI and state government agencies.

SECI is directly involved in development of solar parks in 6 States (Andhra Pradesh, Karnataka, Madhya Pradesh, Kerala, Uttar Pradesh and Himachal Pradesh) through Joint Venture Companies set up with State Government Agencies. 5 JV companies were formed earlier while the JV company for Himachal Pradesh has been taken

up recently. DPRs for these parks have been prepared. Construction activities in these parks are underway. A snapshot of the activities being undertaken in these solar parks is given below:

- **Karnataka:** For the Tumkur Solar Park of 2000 MW capacity, 11000 acres of land has been identified out of which 10371 acres have been acquired. Development of internal evacuation infrastructure is underway.
- **Andhra Pradesh:**
 - For the Anantpur Solar Park of 1500 MW capacity, 7181 Acres of Land identified and 6693 Acres acquired. Construction of internal and external transmission and power evacuation system is under progress. 250 MW capacity of projects have been Commissioned by NTPC. Tendering activities for balance capacity of projects are underway.
 - For the Kadapa Solar Park of 1000 MW capacity, Land identified 6075 Acres. Tendering for internal evacuation infrastructure is underway. Tendering for projects are underway.
 - For the Kurnool Solar Park of 1000 MW capacity, 5811 Acres Land identified and 5208 Acres land acquired. Work for Road, Drainage and Construction of internal and external transmission and power evacuation system is under progress. The entire capacity of 1000 MW has been awarded.
 - For the Ananthapuramu II Solar Park of 500 MW capacity, 4448 Acres land identified and 4022 Acres land acquired. Tendering in process for 2 Nos. of 220/33 kV Pooling Sub-Stations and connecting line up to 400/220 kV Grid Sub-station; one pooling sub-station for each block of 250 MW and 500 MW project Capacity is to be tendered by State government.
- **Madhya Pradesh:** For the Rewa Solar Park of 750 MW capacity, about 3390 Acres of land has been acquired. Procurement and construction works are in progress.
- **Uttar Pradesh:** For the UP Solar Park of 600 MW capacity which was further revised to 440 MW, about 2300 Acres of Land has been acquired. Tendering activities for setting up of solar projects in the park are underway.
- **Kerala:** For the Kasadgod Solar Park of 200 MW capacity, Land has been acquired by the JV company and construction activities for 50 MW solar project are in progress.

Under this scheme, CFA of Rs. 368 Cr. has been released by SECI to the implementing agencies till 31st March, 2016 for development of these parks.

SECI'S OWN PROJECTS

SECI has planned to develop its own solar power projects with a view to have revenue generation assets for long term sustainability in its functions. As a part of this, the first project of 10 MW capacity has been commissioned during the year at Badi Sid in Jodhpur district of Rajasthan under MNRE's bundling scheme of JNNSM. Solar power from this project is sold to NTPC Vidyut Vyapar Nigam (NVTN) under a 25-year Power Purchase Agreement (PPA). The project is functioning satisfactorily and is being monitored closely for analysis of its performance. Since commissioning in March, 2016, the project has generated 7.4 million units of electricity (Till Aug, 2016).



10MW Solar Power Project Installed at Badi Sid Jodhpur, Rajasthan

Going forth, SECI is planning to set up ground based solar PV projects of about 600 MW capacity in the near future in various States viz. Andhra Pradesh, Rajasthan, Karnataka, Tamil Nadu and Uttar Pradesh. This includes projects based on the concept of floating solar, solar-wind hybrid and solar with battery-storage technologies through World Bank assistance. In addition, SECI also envision to own large capacity grid connected rooftop solar projects.

CONSULTANCY PROJECTS

Banking on its expertise in the sector, SECI is continuously working on to develop Project Management Consultancy (PMC) as a potent vertical with a view to get revenue generation for its various operations. As a part of this, SECI is providing PMC services to various organizations/ institutions. Some of the projects which are at advanced stage of implementation are given below.

Projects for Central Public Sector Units

50 MW project at Kasargod, Kerala: SECI has undertaken development of the project under PMC works for IREDA. The project is located in the solar park at Kasadgod. In the year under consideration, RfS for selection of EPC for setting up of 50 MW capacity was floated by SECI and the contract has been awarded. Construction is in progress.

2X100 MW projects at Madhya Pradesh: SECI is undertaking development of the projects under PMC works for Coal India. RfS has been floated by SECI for implementation of 2X100 MW of Solar PV projects in Madhya Pradesh through e-tendering followed by e-reverse auctioning mode. Detailed discussions have been held with CIL and its subsidiaries. LoA is expected to be issued after receiving go-ahead of CIL/subsidiaries. Discussions are in progress for implementation of another 800 MW capacity.

15 MW at Medak, Telangana: SECI has undertaken development of a 15 MW solar PV project for Bharat Electronics Limited at Medak, Telangana. The project is under MNRE's VGF scheme for Defence establishments. RfS for selection of EPC contractor was issued by SECI and the contract has been awarded. Construction work is in progress.

Projects for Sea-ports

SECI has entered into a Memorandum of Understanding with Indian Ports Association for setting up of solar projects on turnkey basis under Project Management Consultancy services. Subsequently, work is in progress for 5 ports. Brief details of activities undertaken are given below (as on 31st March, 2016):

Vizag Port: RfS for selection of EPC contractor was floated for 10 MW capacity and Lol was issued. Construction work is in progress.

Paradip Port: RfS for selection of EPC contractor was floated for 10 MW capacity and Lol was issued in the year under consideration. However, due to non-acceptance of Lol by the selected EPC contractor, the capacity has been retendered in the current year.

New Mangalore Port: RfS for selection of EPC contractor was floated for the project of 4 MW capacity. The contract has been awarded and construction work is in progress.

Kamrajar Port: RfS for selection of EPC contractor was floated for 1 MW capacity in 2015-16. However, due to downsizing of capacity to 250 kW, the project would be re-tendered in the current year.

Kolkata Port: RfS for selection of EPC contractor was floated in 2015-16. However, in the current year, the tender is revised due to issues in site preparation.

Other Ports: Discussion on project sizing and implementation modalities are in progress for VOCPT and JNPT ports.

POWER TRADING

SECI has been entrusted responsibility of purchasing power from projects under VGF Schemes of the Government of India and to sell it to various DISCOMs/ Buying Utilities, etc. In this regard, SECI has signed 45 number of power purchase agreements (PPAs) with solar projects Developers (SPDs) who have set up solar PV projects in the States of Rajasthan, MP, Gujarat, Odisha, Maharashtra, Karnataka and Tamil Nadu. For sale of this power, SECI has signed 17 number of Power Sale Agreements (PSAs) with various DISCOMs/ Buying Utilities of States Viz. Delhi, Odisha, Haryana, Punjab, Himachal Pradesh, Assam, Bihar, Jharkhand among others for a capacity of 680 MW.



Signing of MoU between SECI and DMRC

In order to be able to trade power, SECI obtained Category II Trading License from CERC. SECI also obtained Long Term Open Access (LTA) from CTU for a period of 25 years to evacuate power from these projects to

buying DISCOMs/ Utilities. With concerted efforts and full support from POWERGRID, the company was able to obtain Long Term Open Access and signing of Transmission Service Agreement (TSA) for 400 MW capacity, in synchronization with progressive commissioning of solar PV projects. The PPA had a provision of part-commissioning or advance commissioning of project. Accordingly, SECI started inter-state power trading on 24th March 2015 on short term basis from Gujarat to Odisha till such time LTA was granted.

SECI has traded around 954 Million Units (MUs) of electricity in the financial year 2015-16. SECI engaged M/s PTC India Limited for back-end support services. SECI reached at important milestone in the month of April 2016 by crossing 1000 MUs of traded volume and around 1376 MUs of electricity has been traded (**till 08.09.2016**).

OFF-GRID SOLAR

During the year 2015-16, SECI has installed off-grid solar PV system for 3 schools and 40 solar streetlights in Ratnagiri District of Maharashtra under Prime Minister Sansad Adarsh Gram Yojana. Another 500 numbers of solar streetlights are under implementation in Varanasi.

Your Company was implementing REC and IFCL sponsored solar lanterns under CSR with total mandate of 1.85 lakhs to be distributed in backward districts of the country.

During the year, more than 50,000 solar lanterns were supplied to the backward districts of Andhra Pradesh, Telangana and Odisha. 5000 solar lanterns were supplied to Nepal for the earthquake victims. North-Eastern States were supplied with 1000 solar lanterns each. The States of Jharkhand (5000 no.), Bihar (5000 no.), Uttarakhand (5000 no.), West Bengal (3000 no.) and UP (10000 no.) were also covered.

IREDA supported implementation of a 40 KWp system for a school for economically and socially backward students in UP under CSR activity with a sanction of about Rs. 20 lakhs. IREDA has also supported implementation of a 30 KWp Off-grid Solar PV system at Old Age Home at Vrindavan, UP with a CSR support of Rs. 30 lakhs which has been commissioned. This will be benefitting about 100 old age widows residing in the complex.

R&D PROJECTS

2.5 MW Kaza Solar-Wind Hybrid Project

SECI is developing a pilot solar-wind-battery hybrid project at Rangreek, Kaza (Himachal Pradesh) in JV with Himachal Pradesh State Electricity Board Ltd. (HPSEBL).

The site for the proposed R&D project is located in the cold desert regions of Himalayan ranges, at an altitude of approx. 12000 ft. Apart from the extreme cold winters (temperatures fall to as low as -35 deg C in the winters), access to site is one of the most striking challenges in implementation of the project.

During the year, collection of data on power consumption/Load for the project site were carried out in co-ordination with HPSEBL and the mode of implementation was finalized. Thereafter, work was initiated for entering into a JV agreement between SECI and HPSEBL. The technical specifications of the project have been prepared and suggestions for stakeholders have been incorporated. The detailed NIT inviting bids for setting up the 2.5 MW hybrid plant with 1 MWh battery storage has been issued.



Managing Director Solar Energy Corporation of India Limited Signing a Joint Venture Agreement with HPSEBL

Solar Guidelines Web Portal

An initiative under the Indo German Energy Programme (IGEN), “solar guidelines” web portal is a web-based platform for encouraging rapid development of the solar power sector in India by facilitating dissemination of latest updates on policy frameworks announced by governments from time to time, regulatory framework announced by CERC, regulations of the MoEF and procedural details of approval and clearances required for timely commissioning and financial closures of solar installations in the country. The First phase of the Project saw the setting up of the website (www.solarguidelines.in) and comprehensive description of the step-by-step processes needed for commissioning of solar projects in the state of Rajasthan. Second phase of the project has further extended the database to cover 7 more states (Karnataka, Maharashtra, Gujarat, Tamil Nadu, Odisha, Uttar Pradesh, Madhya Pradesh), including coverage of schemes for rooftop solar energy projects, solar energy projects participating in Renewable Energy Certificate mechanism, Off-grid solar energy schemes/programmes and solar energy power projects for captive use.

Calibration Lab Facility at NISE, Gwalpahari

SECI is implementing a R&D Project jointly with National Institute of Solar Energy (NISE) for developing a calibration facility for solar radiation measuring sensors. The project is funded by MNRE. The laboratory has been set up at NISE and has been made operational. Presently, calibration of sensors is being carried out regularly and 11 SRRA sensors have been calibrated in the year under consideration. The facility will be operated and managed by NISE.

INFORMATION TECHNOLOGY

Solar Energy Corporation of India Limited is maintaining a modern and secure structured data network with centralized server facility and latest desktops/laptops for users. Server room is equipped with network and internet security devices with high speed LAN and WAN connectivity. Videoconferencing (VC) facility is being used for meeting/deliberations with client locations.

Company has a new corporate website and secure E-mail connectivity. The new responsive corporate website is compatible with all kinds of mobile and desktop devices and has the facility of dynamic transliteration to major national and international languages as per the user choice. An Intranet website has been deployed to facilitate dissemination of relevant information relating to SECI which can be easily accessed in-house by all employees.

Company is also actively promoting itself in public through social networking websites like Twitter, Facebook, LinkedIn and YouTube. In order to improve upon efficiency and bringing transparency in procurement processes, STQC certified e-tendering & e-auction system of Telecommunications Consultants India Limited is deployed.

Company is using a solar generation reporting system for tracking the generation of different projects under 750 MW large scale scheme. Other applications such as payroll system for salary & miscellaneous claims and a bill monitoring system for tracking vendor payments has also been developed and deployed on intranet.

SECI is also in the process of rolling out a mobile app to provide a comprehensive and consolidated view of the parameters as reported by various power developers located pan India. The app will also act as a bridge to pass on important information from SECI to public and register their feedback.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year, no specific event/ actions occurred having a major bearing on the nature of business of the Company, except mentioned below:

The Corporation has converted its status from section 8 company (under the Companies Act 2013) to Public Limited Company and fresh certificate of Incorporation issued by the Registrar of Companies, Ministry of Corporate Affairs, and Govt. Of India on 9th November, 2015 so as to enable it to become a self-sustaining and self-generating organization; to work as commercial organization, to take up development of all segments of renewable energy visualized geo-thermal off shore wind, tidal etc. apart from Solar Energy.

JOINT VENTURES

Andhra Pradesh Solar Power Corporation Private Limited: This is a JV between SECI, APGENCO & NREDCAP in the shareholding ratio of 50:41:9 respectively. The JV company has been formed for development of 1500 MW Anantpur Solar Park and 1000 MW Kurnool Solar Park in Andhra Pradesh.

Karnataka Solar Power Development Corporation Private Limited: This is a JV between SECI & KREDL in the shareholding ratio of 50:50. The JV company has been formed for development of 2000 MW Solar Park at Tumkur in Karnataka.

Lucknow Solar Power Development Corporation Limited: This is a JV between SECI & UPNEDA in the shareholding ratio of 50:50. The JV company has been formed for development of 600 MW Solar Park at Sonabhadra, Mirzapur, Allahabad and Jalaun districts in Uttar Pradesh.

Renewable Energy Corporation of Kerala: This is a JV between SECI & KSEB in the shareholding ratio of 50:50. The JV company has been formed for development of 200 MW Solar Park at Kasadgod, Kerala.

Rewa Ultra Mega Solar Limited: This is a JV between SECI & MPUVNL in the shareholding ratio of 50:50. The JV company has been Formed for development of 750 MW Rewa Solar Park and 750 MW Solar Park at Agar and Neemuch in Madhya Pradesh.

HUMAN RESOURCE MANAGEMENT

During the year, the Human Resource Management focus has been essentially on aligning the Human Resource Strategy with the overall business objectives and inducing HR transformation by running the Human Resource function with a business orientation. This has led to tremendous improvement in the manpower productivity and in achieving the standards of the highest order in optimizing the return on investment (ROI) on our manpower.

SECI total permanent staff was 63 during the year. 5 number of personnel policies were enacted and/or re-engineered and updated by the Board of SECI. Keeping in line with the continuous efforts of the Human Resource department to propagate knowledge and skill enhancement, 54 employees were sent for various training programmes during the year to enhance their competencies by acquiring new knowledge and getting acquainted with the latest developments in the renewable energy sector.



Blood Donation Camp organized by Solar Energy Corporation of India Limited



Fourth Foundation Day Celebration

SECI celebrated its first year of profitability by organizing the SECI Foundation Day in a befitting manner, commencing with the Blood Donation Camp followed by the painting competition between four different Sarvodaya Schools for children up to Vth standard and finally culminating in synergy with the standpoint of our Hon'ble Prime Minister Sh. Narendra Modi pertaining to our Rashtrakavi, Shri. Ramdhaari Singh Dinkar by staging his widely acclaimed play "Rashmirathi" by Limca Book of World Record holder Mr. Mujeeb Khan's direction and team from Mumbai, facilitated by Shri. Ramdhaari Singh Dinkar's Nyay Samiti.



Painting Competition organized by Solar Energy Corporation of India Limited

During the year, the initiatives of SECI's Human Resources got recognized by way of Director (HR), SECI being conferred with 'Most Influential HR Leaders in India' by CHRO Asia organized by World HRD Congress in February 2016 in Mumbai. The Industrial Relations during the year remained harmonious and peaceful.



Yoga event organized by Solar Energy Corporation of India Limited

PARTICULARS OF EMPLOYEES

Information on Employees Remuneration u/s 197(12) read with rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013 as on 31st March 2016 is as under: **NIL**

OFFICIAL LANGUAGE

In conformity with the Official Language policy of the Government of India to promote the use of Hindi in our daily official work and to achieve the targets prescribed by the Department of Official Language in their Annual programme, multi-pronged efforts have been made to increase the use of Hindi in our official work. For this purpose, during the year, four workshops were organized in which officers and employees were acquainted with the requirements of Official Language Act and Rules framed thereunder. Besides these, officers and employees were also imparted training on working in Hindi on computers. The company also internally conducts quarterly review of the progress made in the Rajbhasha implementation. Four meetings of official language implementation committee were held under the Chairmanship of Managing Director during the year. All the forms and standard drafts within the company have been made bilingual; in Hindi and English. Three editions of SECI digital magazine "Suryansh" with bilingual contents of Hindi and English were issued during the year.

"Suryansh" digital magazine was awarded 2nd prize by NARAKAS (Town Official Language Implementation Committee) under 'Grih Patrika Award 2014-15'. Director (HR) received this prize on 29th July, 2015 in the 41st meeting of NARAKAS.

Hindi Fortnight was organized from 1st September, 2015 to 14th September, 2015. On this occasion, various Official language related competitions were organized. Twenty winners were awarded cash prizes by our Chairman and Secretary, Ministry of New and Renewable Energy.

PREVENTION OF SEXUAL HARASSMENT

SECI has implemented the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been constituted with more than 50% of women members. The pending complaint as reported in the previous year had been received from a female contract worker. The internal complaint committee submitted its report wherein the complaint could not be substantiated. On consideration, the said complaint was closed. During the year, there was no complaint in this regard.

VIGILANCE

Vigilance Department has been entrusted with the role of ensuring that all the instructions/ guidelines issued by the Central Vigilance Commission (CVC) are being complied with in SECI. Vigilance Department also conducts Preventive Checks to find out about the wrong doings committed / likely to be committed; investigate complaints, process investigation reports for further necessary action, refer matters to the CVC for advice, wherever necessary and suggest/ recommend for System Improvements to bring about greater equity and fairness in SECI's procedures and systems.

Vigilance Department has recommended several system improvements based on leveraging technology for vigilance administration. As a result, on-line workflow system for monitoring and payment of bills of vendors and suppliers has been implemented. Vigilance Clearance Status were provided as per the requests received with regard to Promotion, Confirmation, Foreign Visits and Tour, NOC for outside employment and forwarding of applications to other organisation and for other purposes. File Tracking and Monitoring System (FTMS) has also been recommended for introduction in the company and implementation of the system is being done through National Informatics Centre Services Incorporated (NICS).

Vigilance Awareness Week – 2015 was observed from 26th October to 31st October 2015. In accordance with the guidelines of the Central Vigilance Commission, the theme of the Vigilance Awareness Week was "Preventive Vigilance as a tool of Good Governance". The event was marked by a pledge taking ceremony in which all employees of SECI pledged for maintaining integrity and transparency in all spheres of activities and eradication of corruption in all spheres of life. Essay, Cartoon, Slogan and Debate Competitions were conducted on this occasion and prizes awarded to the winners. A Half day workshop on "Preventive Vigilance and Vigilance Awareness" was held, which was well attended.

RIGHT TO INFORMATION

Your Company has implemented the Right to Information Act, 2005 to provide information to the citizens of India and also to maintain accountability and transparency in the working of the company. The company has designated Public Information Officer (PIO) and Appellate Authority at its registered office. During 2015-16, 51 RTI applications were received, all of which were duly processed and replied to.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has not extended any loans. However, the company has given indemnity to banks for issuing guarantees/Letter of Credit(s) to the tune of Rs. 16.77 crore, in favour of transmission companies, Tax Authorities and others. The company has invested surplus funds of SECI and MNRE funds in short term deposits with banks and no other investments made.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The company has not made any foreign currency earnings. The expenditure of foreign currency during the period is Rs. 16,03,888/- mainly for official tours, seminars and subscriptions.

AUDIT OF ACCOUNTS

M/s L D Saraogi & Co., Chartered Accountants, were appointed as Statutory Auditors for the year 2015-16 by the Comptroller and Auditor General of India, New Delhi. The Report of Statutory Auditors is placed at **Annexure-A**. No Qualifications were made by the Statutory Auditors (Standalone Financial Statement). However, there are some qualifications in respect of consolidated Financial Statements and Management replies thereon is placed at **Annexure-A1**. Comments of C & AG are placed at **Annexure-B**. Comments of C & AG being 'Nil' replies by the Management is not applicable.

CORPORATE GOVERNANCE

A report on Corporate Governance, forming part of this report, is given at **Annexure-C**. A Certificate of Compliance on Corporate Governance received from the practicing Company Secretary, Ashu Gupta & Company, Company Secretaries, is given at **Annexure-D**.

EXTRACT OF ANNUAL RETURN

In accordance with the provisions of Section 134(3) of the Companies Act, 2013, an Extract of Annual Return in the prescribed format is enclosed at **Annexure-E**, to this Report.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the business policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial disclosures

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Solar Energy Corporation of India Limited was incorporated under Section 8 of the Companies Act, 2013 and is engaged in the activities pertaining to schedule VII of the Companies Act, 2013, relating to the protection of the Environment. The corporation converted into Section 3 Company w.e.f 9th November, 2015. Further, the Board of Directors of the company in its 20th meeting held on 28.07.2016 has approved the constitution of a CSR Committee. The company will undertake its CSR Activities in the coming years as per the provisions of the Companies Act, 2013.

CODE OF CONDUCT

In compliance with the DPE Guidelines, the Company has framed the Code of Conduct and Ethics ("The Code") which is applicable to all the Board Members and Senior Managerial Personnel one level below the Board. The affirmation regarding the compliance of the Code has been obtained from all the Board Members and Senior Managerial Personnel one level below the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

1. The applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any ;
2. Appropriate Accounting Policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and statement of the income and expenditure of the Company for the year ended March 31, 2016;
3. Proper and sufficient care has been taken for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities ; and ;
4. The Annual Accounts have been prepared on a going concern basis.
5. Proper Internal Financial Controls were followed by the Company and such Internal Financial Controls are adequate and were operating effectively ;
6. Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. Ashu Gupta & Co. Practicing Company Secretary, New Delhi for conducting Secretarial Audit for the Financial Year 2015-16.

A copy of the Secretarial Audit Report is annexed to this Report as **Annexure-F**

ACKNOWLEDGMENT

Your directors acknowledge with deep sense of appreciation, the co-operation received from the Govt. of India, particularly the Ministry of New and Renewable Energy, Ministry of Power, Ministry of Finance, National Institute of Transformation of India (NITI Aayog), the Department of Public Enterprises, Central Electricity Regulatory Commission, Comptroller & Auditor General of India, Statutory Auditors, State Governments, State Electricity Boards, Discoms, State Nodal Agencies.

Your Directors acknowledge the faith and confidence reposed by all clients and stakeholders in awarding work related to setting up of their grid connected solar power projects under Project Management Consultancy to SECI. This is greatly appreciated.

Some of the notable clients include Coal India Ltd., IREDA, THDC, Airports Authority of India and Ordnance Factory Board.

Your directors also convey their gratitude to various Financial Institutions for the confidence reposed by them in the company.

We wish to place on record our appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the company continues to grow and excel.

For and on behalf of the Board of Directors

Sd/-
(Upendra Tripathy)
Chairman
DIN No. 02942700

ANNEXURE-A

L.D. SARAOGI & CO.
Chartered Accountants

101-104, Basant Complex,
38, Veer Sawarkar Block,
Shakarpur, Delhi -110092
Ph.: 22424482,22500529
email: ldsaraogi@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOLAR ENERGY CORPORATION OF INDIA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of SOLAR ENERGY CORPORATION OF INDIA LIMITED ("the Company") which comprise the Balance Sheet as at 31st March, 2016 the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. including the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies: making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the

L.D. SARAOGI & CO.
Chartered Accountants

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Shakarpur, Delhi -110092
Ph.: 22424482,22500529
email: ldsaraogi@gmail.com

circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Financial Statements:

- i) Accounting Policy No. 1.9.2 to the Standalone Financial Statements which describes the accounting treatment of specified sums that are directly credited and debited to the Payment Security Fund.
- ii) Note No. 25.19 to the Standalone Financial Statements which describes the uncertainty related to the realization against Sale of Solar Power of Rs. 4,80,16,000/- which is still pending with Rajasthan Urja Vikas Nigam Limited (RUVNL).
- iii) Note No. 25.20 to the Standalone Financial Statements which describes the uncertainty related to revenue recognition in respect of one of the Solar Power Developers under 2000 MW Scheme which is under examination by the Company.
- iv) Note No. 25.21 to the Standalone Financial Statements regarding the non-appointment of Independent Directors on the Board of Directors and Audit Committee of the Company and the provision of Performance related Pay and Ex-gratia during F.Y. 2015-16 pending formation of Remuneration Committee consisting of independent Directors.
- v) Note No. 25.25 to the Standalone Financial Statements about the various balances which are subject to reconciliation / confirmation and respective consequential adjustments.
- vi) Note No. 25.27 to the Standalone Financial Statements about the conversion of the company from Section 8 to Section 3 Company under Companies Act, 2013 with effect from 9th November, 2015, which describes the change in nature of operations of the company to commercial character with effect from 1st April, 2015.

Our opinion is not modified in respect of these matters.

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Chartered Accountants

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Other Matters

- i) The Standalone Financial Statements of the Company for the year ended March 31, 2015 were audited by another auditor whose report dated June 25, 2015 expressed an unmodified opinion on those statements.
- ii) The Standalone Financial Statements include the financial statements/information of 4 jointly controlled entities whose financial statements/financial information reflect the Company's share in net assets of Rs. 84,03,83,834/- as at March 31, 2016. The financial statements/information of these jointly controlled entities have been audited by the auditors of jointly controlled entities whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, is based solely on the report of such auditors of jointly controlled entities.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. 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 Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure 'B', a statement on the directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge "and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015;
 - (e) being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company;

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- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”; and
- (g) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014. in our opinion and to the best of our information and according to the explanations given to us;
- i) the Company does not have any pending litigations which would impact its financial position;
 - ii) The company did not have any long term contracts as at 31st March, 2016 for which there were any material foreseeable losses. As informed to us that the company did not have any derivative contracts;
 - iii) there were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company;

for L. D. Saraogi & Co.
Chartered Accountants
(Firm’s Registration No. 005524N)

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

Place: New Delhi
Date: July 28, 2016

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ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditor’s Report of even date to the members of solar Energy Corporation of India Limited on the standalone financial statements for the year ended 31st March, 2016

Taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and based on the audit procedures conducted by us, we report that:

- i) (a) Solar Energy Corporation of India Limited (“the Company”) has generally maintained proper records showing full particulars, including quantitative details and situation of Company’s fixed assets;
- (b) There is an annual programme of physical verification of all fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification;
- (c) The title deeds of the immovable property being leasehold land at village Badi Sid, Tehsil-Bap, Jodhpur, Rajasthan are held in the name of the Company.
- ii) The company does not hold any physical inventory. Accordingly, paragraph 3(ii) of the order is not applicable.
- iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (“the Act”). Accordingly, Paragraph 3(iii) of the Order is not applicable.
- iv) In our opinion, the Company has not given any loan or provided any guarantee or security with reference to the provisions of section 185 and 186 of the Act. In respect of investment in Joint Venture Companies, the Company has complied with the provisions of Section 186 of the Act.
- v) The company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other provisions of the Act and rules framed there under.
- vi) The maintenance of cost records has not been specified by the Central Government for the Company under Section 148(1) of the Act.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income – tax, Sales- tax, service tax, duty of customs, value added tax, cess and any other statutory dues with the appropriate authorities.

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According to the information and explanations given to us, no undisputed material amounts payable in respect of provident fund, income – tax, Sales- tax, service tax, duty of customs, duty of excise, Cess and any other statutory dues were in arrears as at march 31st, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax of duty of customs or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The company does not have any loans or borrowings from any financial institution, government or dues to debenture holders. In our opinion the company has not defaulted in repayment of the term loan to State Bank of India.
- (ix) In our opinion, the term loan raised by the company has been applied for the purpose for which the said loan was obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) As per Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, section 197 of the Act is not applicable to the Government Companies, Accordingly, Paragraph 3(xi) of the order is not applicable to the Company.
- (xii) In our opinion, the Company is not a nidhi company. Accordingly, Paragraph 3(xii) of the order is not applicable.
- (xiii) In our opinion, the transactions with the related parties though in compliance with section 188 of the Act and entered into in accordance with the applicable government guidelines, are not in the compliance with section 177 of the act since such transactions have not been approved by the Audit committee.

Nature of Related Party relationship and the underlying transaction

Amount Involved (Rs.)

a) Release of Central Financial Assistance to Jointly Controlled Entities under Ministry of New & Renewable Energy Scheme	2,60,73,30,000/-
b) Managerial Remuneration to Key Management personnel	1,56,43,375/-

Details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into non-cash transactions with directors or persons connected with them. 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 L.D.SARAOGI & Co.
Chartered Accountants
(Firm's Registration No. 005524N)**

**Place: New Delhi
Date: July 28, 2016**

**Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337**

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COMPLIANCE CERTIFICATE

We have conducted the Audit of annual accounts of Solar Energy Corporations of India Limited (CIN: U40106DL2011GOI225263) for the year ended 31st March, 2016 in accordance with the directions/ ~~sub directions~~-issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/ ~~sub directions~~.

for L.D.SARAOGI & Co.
Chartered Accountants
(Firm's Registration No. 005524N)

Place: New Delhi
Date: July 28, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

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ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditor’s Report of even date to the members of solar Energy Corporation of India Limited on the standalone financial statements for the year ended 31st March, 2016

Report on the Directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 for the Financial Year 2015-16

S.No	Direction	Action taken thereon	Impact on Accounts and Financial Statements of the Company
1	Whether the Company has clear title/ lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available	The Company has clear title/lease deed for the entire leasehold land of the Company.	NIL
2	Whether there are any cases of waiver/ write off of debts/loans/ interests etc. If yes, the reasons thereof and amount involved	According to information and explanations given to us, there are no cases of waiver/ write off of debts/loans/ interests etc.	NIL
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift/grant(s) from the Government or other authorities	According to information and explanations given to us, there is no inventory lying with third parties and the Company has not received any assets from Government or other authorities as gift/grant(s).	NIL

for L.D.SARAOGI & Co.
Chartered Accountants
(Firm’s Registration No. 005524N)

Sd/-
(Jitender Saraogi)
Partner

Place: New Delhi
Date: July 28, 2016

Membership No. 502337

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ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditor’s Report of even date to the members of Solar Energy Corporation of India Limited on the standalone financial statements for the year ended 31st March, 2016

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 Solar energy Corporation of India Limited (“ the Company”) as on 31st march 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The company’s management is responsible for establishing and maintaining internal financial control’s based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidelines Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountant 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 ACT.

Auditor’s Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and the Guidance Note issued by the ICAI. 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 control systems over financial reporting and their operating effectiveness. Our audit of internal financial control over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

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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 systems over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the Inherent Limitation 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 issued by ICAI.

for L.D.SARAOGI & Co.
Chartered Accountants
(Firm's Registration No. 005524N)

Place: New Delhi
Date: July 28, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOLAR ENERGY CORPORATION OF INDIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SOLAR ENERGY CORPORATION OF INDIA LIMITED (hereinafter referred to as "the Company") and its jointly controlled entities (the Company and its jointly controlled entities together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter after referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the companies (Indian Accounting Standards) Rules 2015. The respective Board of Directors of the company and its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the Assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making, those risk assesment, the auditor considers internal financial control relevant to the

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company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors in terms of their reports referred to in sub –paragraph (a) of the other matter paragraph below, is sufficient and appropriate to provide a basis for our **qualified** audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

- i) Attention is invited to Note No. 1.2 to the consolidated financial statements regarding non- consolidation of financial statements of Renewable Power Corporation of Kerala Limited, one of the jointly controlled entities, since the said jointly controlled entity's first accounting year will be for the period 15th January, 2016 to 31st March, 2017. In our opinion, the non-consolidation as above is not in accordance with the provisions of the Accounting Standards -27, Financial Reporting of Interests in Joint Ventures. The resultant impact of the above non- compliance with the standard on the consolidated financial statements is currently not ascertainable.
- ii) One of the Jointly Controlled entities, Andhra Pradesh Solar Power Corporation Private Limited has received demand notices from NREDCAP for Rs. 7.07 Crore towards lease rent for the financial year 2015-16, during the month of April 2016, on Ac.4,427.59 of government land taken on lease for setting up of Ultra Mega Solar Power project on N.P Kunta Mandal, Ananathapuramu Dist, Andra Pradesh. The said jointly controlled entity has not made any provision in respect of such lease rent payable. The said Jointly controlled entity has informed that government of Andhra Pradesh has signed a MOU with NTPC on 16th September 2014 and as per MOU the land will be provided for setting up of the solar project at nominal lease rent, The said jointly controlled entity is requesting the Govt. Of Andhra Pradesh to collect the nominal lease rent of Rs.1/- per acre. Due to uncertainty involved, provision should have been made for the lease rent payable. This has resulted in under stating of work-in-progress by Rs. 7.07 Crore and current liabilities & provision by Rs. 7.07 Crore.
- iii) One of the jointly controlled entities, Andhra Pradesh Solar Power Corporation Private Limited has not made any provision for lease rent for the financial year 2015-16 on Ac. 4,897.19 of government land taken on lease for setting up of Ultra Mega Solar Power Project at Sakunala & Gani Village, Kurnool Dist, Andhra Pradesh. In the absence of information, the amount of lease rent payable for this project could not be quantified, hence, the effect of the same on the financial statements is not identified.

Qualified Opinion

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the

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Group as at 31st March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated Financial Statements:

- i) Accounting Policy No. 1.11.2 to the consolidated Financial Statements which describes the accounting treatment of specified sums that are directly credited and debited to the Payment Security Fund.
- ii) Note No. 26.19 to the consolidated Financial Statements which describes the uncertainty related to the realization against Sale of Solar Power of Rs. 4,80,16,000/- which is still pending with Rajasthan Urja Vikas Nigam Limited (RUVNL).
- iii) Note No. 26.20 to the consolidated Financial Statements which describes the uncertainty related to revenue recognition in respect of one of the Solar Power Developers under 2000 MW Scheme which is still pending examination by the Company.
- iv) Note No. 26.21 to the consolidated Financial Statements regarding the non-appointment of Independent Directors on the Board of Directors and Audit Committee of the Company and the provision of Performance related Pay and Ex-gratia during F.Y. 2015-16 pending formation of Remuneration Committee consisting of Independent Directors.
- v) Note No. 26.25 to the consolidated Financial Statements about the various balances which are subject to reconciliation / confirmation and respective consequential adjustments.
- vi) Note No. 26.27 to the consolidated Financial Statements about the conversion of the company from Section 8 to Section 3 Company under Companies Act. 2013 with effect from 9th November, 2015, which describes the change in nature of operations of the company to commercial character with effect from 1st April, 2015.
- vii) Note No. 26.28 to the consolidated Financial Statements in relation to one of the jointly controlled entities. Andhra Pradesh Solar Power Corporation Private Limited. which, as explained by the management of the said jointly controlled entity to the concerned auditor, during the year has not commenced its commercial operations and all the expenses incurred during the year are capitalized and shown under Capital Work in progress and these expenses will be allocated on major Assets acquired on commissioning of the project hence, the company did not prepare the Statement of Profit & Loss in pursuance of section 129(2) read with 2(40) of the Act.
- viii) Note No. 26.29 to the consolidated Financial Statements in relation to the accounting policy of the one of the jointly controlled entities. Andhra Pradesh Solar Power Corporation Private Limited regarding treatment of government grants/aids which has been changed from deduction of Grants from fixed assets to disclose as a separate line item under shares holder's funds. Since commercial operations have not commenced as at the year end, the effect of the same on financial statements is NIL. This

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change in the accounting policy will result into disclosure of Fixed Assets at full value instead of net of government grants.

- ix) Note No. 26.28 to the consolidated Financial Statements in relation to one of the jointly controlled entities, Lucknow Solar Power Development Corporation Limited, which, during the year has not commenced its commercial operations and all the expenses incurred during the year have been capitalized and shown under Capital Work in progress and these expenses will be allocated on major Assets acquired on commissioning of the project. Therefore, the jointly controlled entity has not prepared the Statement of Profit and Loss as required in terms of Section 129(2) read with Section 2(40) of the Act.

Our opinion is not modified in respect of these matters.

Other Matters

1. We did not audit the financial statements/information of the following jointly controlled entities whose financial statements/information reflect the details given below of assets as at 31st March, 2016, total revenues and net cash flows for the year ended on that date to the extent they are reflected in the Consolidated Financial Statements:

Name of the Jointly Controlled Entity	Assets	Total Revenues	Net Cash Flows
1) Lucknow Solar Power Development Corporation Limited	10,93,73,754	—	21,70,29,408
2) Rewa Ultra Mega Solar Limited	19,79,53,944	—	39,30,62,140
3) Andhra Pradesh Solar Power Corporation Private Limited	1,08,06,20,817	—	(5,06,31,508)
4) Karnataka Solar Power Development Corporation Ltd	51,45,21,181	—	71,77,71,857
Total	1,90,24,69,696	—	1,27,72,31,897

These financial statements/information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

2. One of the jointly controlled entities, Karnataka Solar Power Development Corporation Limited, though generally regular in depositing statutory dues, has not deposited Income Tax deducted at source amounting to Rs. 1,89,99,592/- as was outstanding on 31st March, 2016 and as reported by the

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concerned auditor vide audit report dated 29th June, 2016 under sub-section (11) of Section 143 of the Act, which sum has been later deposited on 8th July, 2016.

Our opinion is not modified in respect of this matter.

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) except for the effects of the matters described in the para i) of Basis of Qualified Opinion paragraph, in our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015;
 - (e) being Government Companies, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company and the jointly controlled entities;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Company and its jointly controlled entities do not have any pending litigations which would impact their financial position;
 - ii) the Company did not have long any term contracts as at 31st March, 2016 for which there were any material foreseeable losses. As informed to us that the Company did not have any derivative contracts. Further, as per the reports of the statutory auditors of its jointly controlled entities, the jointly controlled entities did not have long-term contracts including derivative contracts for which there were any material foreseeable losses;

L.D. SARAOGI & CO.
Chartered Accountants

**101-104, Basant Complex,
38, Veer Sawarkar Block,
Shakarpur, Delhi -110092
Ph.: 22424482,22500529
email: ldsaraogi@gmail.com**

- iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its jointly controlled companies.

**for L. D. Saraogi & Co.
Chartered Accountants
(Firm's Registration No. 005524N)**

**Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337**

**Place: New Delhi
Date: July 28, 2016**

L.D. SARAOGI & CO.
Chartered Accountants

101-104, Basant Complex,
38, Veer Sawarkar Block,
Shakarpur, Delhi -110092
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email: ldsaraogi@gmail.com

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditor’s Report of even date to the members of Solar Energy Corporation of India Limited on the consolidated financial statements for the year ended 31 March, 2016

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

In conjunction with our audit of the consolidated financial statements of Solar Energy Corporation of India Limited (“the Company”) as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of the Company and its jointly controlled companies, which are companies incorporated in India (the Company and its jointly controlled companies together referred to as “the Group”), as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and the Guidance Note issued by the ICAI. 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

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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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company and its jointly controlled companies, which are companies incorporated in India, have, 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 31st March 2016, 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 issued by the ICAI.

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Chartered Accountants

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Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to four jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**for L. D. Saraogi & Co.
Chartered Accountants
(Firm's Registration No. 005524N)**

**Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337**

**Place: New Delhi
Date: July 28, 2016**

ANNEXURE – A1

Management replies to the Statutory Auditors Qualification in respect of Consolidated Financial Statements.

S.No	Statutory Auditors Qualifications	Managements Reply
1	Attention is invited to Note No.1.2 to the Consolidated Financial Statements regarding non-consolidation of financial statements of renewable power Corporation of Kerala Limited, one of the jointly controlled entities, since the said jointly controlled entity's first accounting year will be for the period 15th January, 2016 to 31st March, 2017. In our opinion, the non-consolidation as above is not in accordance with the provisions of Accounting Standard -27, Financial Reporting of Interests in Joint ventures. The resultant impact of the above non-compliance with the standard on the consolidated financial statements is currently not ascertainable.	The Board of Directors of Renewable Power Corporation of Kerala Limited in its first meeting held on 03.02.2016, approved the period of financial year beginning with 01st April of each year and ending with 31st March of succeeding year. The Board also approved the first financial year of Renewable Power Corporation of Kerala Limited from 15th January 2016 to 31st March 2017
2	One of the jointly controlled entities, Andhra Pradesh Solar Power Corporation Private Limited has received demand notices from NREDCAP for Rs. 7.07 crore towards lease rent for the financial year 2015-16, during the month of April, 2016, on Ac. 4,427.59 of Government land taken on lease for setting up of Ultra Mega Solar Power Project on N.P Kunta Mandal, Ananathapuram Dist., Andhra Pradesh. The said jointly controlled entity has not made any provision in respect of such lease rent payable. The said jointly controlled entity has informed that the Government of Andhra Pradesh has signed an MOU with NTPC on 16th September 2014 and as per MOU with NTPC the land will be provided for setting up of the solar project at nominal lease rent. The said jointly controlled entity is requesting the Govt. of Andhra Pradesh to collect nominal lease rent of Rs. 1/- per acre. Due to uncertainty involved, provision should have been made for the lease rent payable. This has resulted in under stating of work-in-progress by Rs. 7.07 crore and current liabilities and provisions by Rs. 7.07 Crore	Government of Andhra Pradesh has signed an MOU with NTPC on 16-09-2014, and as per MOU the land will be provided for setting up of the solar project at nominal lease rent. The nominal lease rent is not decided by the Government of Andhra Pradesh till to date. APSPCL also requested Government of AP to collect nominal lease rent of Rs. 1/- per acre. The amount chargeable to work in progress can be decided with the decision of Government of AP only and necessary accounting entries will be made in books on receipt of communication from Government.
3	One of the jointly controlled entities, Andhra Pradesh Solar Power Corporation Private limited has not made any provision for lease rent for the financial year 2015-16 on Ac. 4,897.19 of government land taken on lease for setting up of Ultra Mega Solar Power project at Sakulanala and Gani Village, Kurnool Dist. Andhra Pradesh. In the Absence of information, the amount of lease rent payable for this project could not be qualified hence, the effect of the same on the financial statement is not identified	The state Government of Andhra Pradesh has handed over the Lands through necessary orders to NREDCAP and NREDCAP in turn handed over the same to APSPCL for development of Solar Parks. Lease rental shall be payable by the Company to the State Government from the date of handing over of the Lands. The Company has requested the State Government to waive the lease Rentals during the period of development stage as the Company does not have O & M income during such period of Solar Park development. Pending approval from state Government, no provision for Lease Rentals is made in the Books of account of the Company.

ANNEXURE-B

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SOLAR ENERGY CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2016

The preparation of financial statements of Solar Energy Corporation of India Limited for the year ended 31st march 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 28th July 2016.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6)(a) of the Act of the Financial statements of Solar Energy Corporation of India Limited for the year ended 31st march 2016. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

**For and on behalf of the
Comptroller & Auditor General of India**

**Sd/-
(Nandana Munshi)
Director General of Commercial Audit &
Ex-officio Member, Audit Board –III,
New Delhi**

Place: New Delhi

Dated: 26th September 2016

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SOLAR ENERGY CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2016

The preparation of consolidated financial statements of Solar Energy Corporation of India Limited for the year ended 31st march 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by Comptroller and Auditor General of India under Section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 28th July 2016.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6)(a) read with section 129 (4) of the Act of the consolidated financial statements of Solar Energy Corporation of India Limited for the year ended 31st march 2016. We conducted a supplementary audit of the financial statement of Solar Energy Corporation of India Limited, but did not conduct supplementary audit of the financial statements jointly controlled entities listed in Annexure-I for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

**For and on behalf of the
Comptroller & Auditor General of India**

**Sd/-
(Nandana Munshi)
Director General of Commercial Audit &
Ex-officio Member, Audit Board –III,
New Delhi**

Place: New Delhi

Dated: 26th September 2016

ANNEXURE - I

List of jointly controlled entities of Solar Energy Corporation of India Limited whose financial statements for the year 2015-16 were not audited by the Comptroller and Auditor General of India.

A. Joint Ventures Incorporated in India

1. Andhra Pradesh Solar Power Corporation Private Limited
2. Karnataka Solar Power Development Corporation Private Limited
3. Lucknow Solar Power Development Corporation Limited
4. Rewa Ultra Mega Solar Limited

REPORT ON CORPORATE GOVERNANCE

The Company is committed to sound Corporate Practices based on conscience, openness, fairness, professionalism and accountability for achieving sustainable long term growth to achieve the Mission set under JNNSM.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE.

The Company firmly believes and has consistently practiced good Corporate Governance. The Company's Policy is reflected by the values of transparency, professionalism and accountability. The company constantly strives towards betterment of these aspects and thereby generating long term economic value for its customers, employees, stakeholders and the society as a whole.

SECI is committed to be a competitive, client-friendly and development-oriented organization for financing and promoting Renewable Energy and Energy Efficiency Projects.

2. BOARD OF DIRECTORS

The Board of Directors of SECI provide leadership and strategic guidance, objective judgement independent of management and exercise control over the Company while remaining at all times accountable to the Shareholders.

2.1 Composition of the Board of Directors

The composition of Board of Directors of SECI has an appropriate mix of Executive Directors represented by Functional Directors including MD and Non- Executive Directors represented by Government Nominees. The composition of the Board as on the date of the Report is as follows:

Whole-time Executive (Functional) Directors

1. Dr. Ashvini Kumar, Managing Director
2. Shri. Rakesh Kumar, Director (Power Systems)
3. Shri. C. Kannan, Director (Finance)
4. Shri. Rajeev Bhardwaj, Director (HR)

Part-Time Official Director (Government Nominees)

1. Shri. Upendra Tripathy - Government Nominee & Chairman
2. Shri. Tarun Kapoor – Government Nominee (10/11/2011 – 17/08/2016)

The Company has been requesting the Administrative Ministry i.e Ministry of New & Renewable Energy for appointment of the requisite no. of part-time Non-Official Directors on the Board of SECI. The same is under consideration of the Administrative Ministry i.e (MNRE).

2.2 Details of Board Meetings held during the Financial Year 2015-16

During the Financial Year 2015-16, Five Board meetings were held as per the details given below:

S. No.	Number of Board Meeting	Date of Board Meeting
1	15th Board Meeting	25.06.2015
2	16th Board Meeting	12.08.2015
3	17th Board Meeting	05.10.2015
4	18th Board Meeting	08.02.2016
5	19th Board Meeting	30.03.2016

The Board has complete access to all the relevant information within the Company including those prescribed in the DPE Guidelines on Corporate Governance.

2.3 Attendance record of Directors at Board Meetings and Annual General Meeting and number of other Directorships / Committee Memberships / Chairmanships

Attendance of each Directors at the Board Meetings held during the year 2015-16 and the last Annual General Meeting held on 12th August, 2015 and number of other Directorships / Committee Memberships / Chairmanships are given below:

Name of Director & Designation	No. of Board Meetings		Details of Directorship in other companies	Membership in the Committees of other Companies		Attendance at the last AGM (12.08.2015)
	Held during the year (as per tenure)	Attended (as per tenure)		Member	Chairman	
Shri Upendra Tripathy Chairman	5	5	NIL	NIL	NIL	Attended
Shri Tarun Kapoor Govt. Nominee Director	5	3	NIL	NIL	NIL	Attended
Dr. Ashvini Kumar Managing Director	5	5	2	NIL	NIL	Attended
Shri Rakesh Kumar Director (PS)	5	5	NIL	NIL	NIL	Attended
Shri C. Kannan Director (Finance)	5	5	3	NIL	NIL	Attended
Shri Rajeev Bhardwaj Director (HR)	5	5	NIL	NIL	NIL	Attended

3. Audit Committee

In compliance with the provisions of Section 177 of the Companies Act, 2013 (the `Act`), and DPE guidelines on Corporate Governance, SECI had constituted a Committee of the Board known as "Audit Committee" on 26.03.2013.

3.1 Number of Audit Committee Meetings

During the year 2015-16, two Audit Committee Meeting were held as per the details given below: -

S. No.	Number of Meeting of the Audit Committee	Date of Audit Committee Meeting
1	5th Audit Committee Meeting	25.06.2015
2	6th Audit Committee Meeting	12.08.2015

3.2 The Composition of the Audit Committee members' and details of the meeting attended by the Members of the Audit Committee is given below:

Sl. No.	Name of the Director	Designation	No. of meeting held during the tenure	No. of Meeting attended
1	Shri Upendra Tripathy	Chairman	2	2
2	Shri Tarun Kapoor	Director (Govt. Nominee)	2	1
3	Shri. Rakesh Kumar	Functional Director	2	2

Director (Finance), Internal Auditors and Statutory Auditors were special invitees in the Audit Committee meetings. The minutes of the Audit Committee were placed before the Board for confirmation.

4. General Body Meetings

The details of last three Annual General Meetings of SECI i.e Date, Time and Location, are given as under:

Financial Year	AGM	Date	Time	Location
2012-13	2ND	27.08.2013	1700 hrs	Solar Energy Corporation of India, NBCC Plaza, 4th Floor, Tower-I, Saket, New Delhi-110017
2013-14	3RD	12.09.2014	1230 hrs	Solar Energy Corporation of India, D-3, Wing A, 1st Floor, Religare Building, District Centre, Saket, New Delhi-110 017
2014-15	4th	12.08.2015	1630 hrs	Solar Energy Corporation of India, D-3, Wing A, 1st Floor, Religare Building, District Centre, Saket, New Delhi-110 017

5. DISCLOSURES

(i) Related party Transactions

The disclosure on transactions entered into with the related parties as required by the Accounting standards AS-18 issued by the Institute of Chartered Accountants of India is mentioned in the Notes to Accounts (Note No. 2.6) of the Financial Statement of the company.

(ii) Remuneration of Directors

The Non-Executive Director had no pecuniary relations or transactions vis-à-vis the company during the year (in their tenure of service) except receipt of sitting fee for attending the meetings of the Board / Sub-Committee. None of the Non-executive Director held any share/convertible instrument of the Company.

(iii) Non-compliances/ penalties & stricture imposed on the company

There were no instances of non-compliance by the Company, penalties & stricture imposed on the Company by any Statutory/Regulatory Authorities, or any other matter.

(iv) Accounting Treatment

In preparation of financial statements, the Company has followed the accounting standard referred in section 129 of the Companies Act, 2013. The significant accounting policies which are constantly applied are set out in the Annexure to notes to the Accounts.

(v) Details of compliances with the requirements of DPE Guidelines on Corporate Governance

All mandatory requirements of the DPE Guidelines on Corporate Governance for CPSEs have been duly complied with by the company except those relating to required number of independent Directors in Board and Committees.

(vi) Items of expenditure debited in books of accounts, which are not for the purpose of the business: NIL

6. AUDIT QUALIFICATION :

NIL (in the Standalone Financial Statements)

7. TRAINING TO BOARD MEMBERS :

It is need based

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Solar Energy Corporation of India Limited
Religare Building, District Centre, Saket
New Delhi-110017

I have examined the compliance conditions of Corporate Governance by Solar Energy Corporation of India Limited for the year ended on 31.03.2016 as stipulated in the DPE Guidelines on Corporate Governance for Central Public Sector Enterprise (DPE Guidelines) and in accordance with the provisions of the Companies Act 2013. The Corporation was incorporated as a section -25 Company under Companies Act 1956 and converted in to Public Limited Company with effect from 09th November, 2015 in accordance with the provisions of the Section- 8 of Companies Act 2013.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial Statement of the Corporation.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company complied with the conditions of Corporate Governance as stipulated in the DPE Guidelines except to the extent mentioned below:

1. As required under Para 3.1.4 of the DPE Guidelines on Corporate Governance issued by Ministry of Heavy Industries and Public Enterprises, Govt. of India and section 149 (4) of the Companies Act, 2013, the company did not have the requisite composition of the Board of Directors, the number of Functions Directors is exceeding 50% of the actual strength of the Board and there is no Independent (non-official) Directors on the Board.
2. The company has not appointed any Women Director on the Board as required under the Provisions of section 149 (2) of the Companies Act, 2013.

I further report that as explained by the management the proposals for appointment of Independent Director (s) and Women Director are under consideration with the Ministry of New and Renewable Energy.

3. Consequent to non-availability of Independent Directors, the constitution of Audit Committee and its functions thereof were not as per DPE Guidelines on Corporate Governance and Companies Act, 2013.

I further state that such compliance is neither an assurance as to further viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Sd/-
(Ashu Gupta)
Company Secretary in Practice
FCS No.: 4123
CP No. : 6646

Place : New Delhi
Date: 22.09.2016

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	CIN	U40106DL2011GOI225263
2	Registration Date	20-09-2011
3	Name of the Company	SOLAR ENERGY CORPORATION OF INDIA LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES GOVERNMENT COMPANY
5	Address of the Registered office & contact details	D-3, FIRST FLOOR, WING A, DISTRICT CENTRE, SAKET, NEW DELHI-110017 Telephone No.-(011) 71989200. Fax: (011) 71989244. Email: corporate@seci.co.in
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
3	SALE OF SOLAR POWER	35105	92.26

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	ANDHRA PRADESH SOLAR POWER CORPORATION PRIVATE LIMITED ADDRESS-6-3-856/A, 3, SAJAD MANZIL COMPUND, AMEERPET, HYDERABAD-500016	U40300TG2014PTC096549	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
2	RENEWABLE POWER CORPORATION OF KERALA LIMITED ADDRESS-C/O KERALA STATE ELECTRICITY BOARD LIMITED VYDYUTHI BHAVANAM, PATTOM THIRUVANANTHAPURAM THIRUVANANTHAPURAM KL 695004 IN	U40106KL2016PLC039891	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
3	REWA ULTRA MEGA SOLAR LIMITED ADDRESS-URJA SHAWAN LINK ROAD NO 2 SHIVAJI NAGAR BHOPAL BHOPAL MP 462003 IN	U40102MP2015PLC034450	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
4	LUCKNOW SOLAR POWER DEVELOPMENT CORPORATION LIMITED ADDRESS- UPNEDA BUILDING, VIBHUTIKHAND, GOMTI NAGAR, LUCKNOW 226010	U40300UP2015PLC072134	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
5	KARNATAKA SOLAR POWER DEVELOPMENT CORPORATION LIMITED ADDRESS- BEEJ RAJA SEED COMPLEX, 2ND FLOOR, SOUTH SIDE, HEBBAL BENGALURU BANGALORE KA 560024 IN	U40107KA2015PLC079223	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]		% Change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		6	6	0.00		6	6	0.00	0.00
b) Central Govt	-	10,33,494	10,33,494	100.00	-	20,39,994	20,39,994	100.00	100.00
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other	-				-				
Sub Total (A) (1)	-	10,33,500	10,33,500	100.00	-	20,40,000	20,40,000	100.00	0.00
(2) Foreign									
a) NRI Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Any other									
Sub Total (A) (2)	-				-				
TOTAL (A)	-	-		-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	-								
Total Public (B)	-								
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	10,33,500	10,33,500	100.00	-	20,40,000	20,40,000	100.00	100

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	PRESIDENT OF INDIA	10,33,494	100.00	0	20,39,994	100.00	0	100.00
2	SHRI TARUN KAPOOR	1	0.00	0	1	0.00	0	0.00
3	SHRI RAKESH KUMAR	1	0.00	0	1	0.00	0	0.00
4	SHRI ASHWINI KUMAR	1	0.00	0	1	0.00	0	0.00
5	SHRI C.KANNAN	1	0.00	0	1	0.00	0	0.00
6	SHRI RUCHIN GUPTA	1	0.00	0	1	0.00	0	0.00
7	SHRI RAJEEV BHARDWAJ	1	0.00	0	1	0.00	0	0.00
	TOTAL	10,33,500	100.00		20,40,000	100.00		

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			10,33,494	100.00	10,33,494	100.00
	Changes during the year						
		25-06-2015	Allot	86,500		11,19,994	
		12-08-2015	Allot	1,34,200		12,54,194	
		31-03-2016	Allot	7,85,800		20,39,994	
	At the end of the year			20,39,994		20,39,994	

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year			-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year			-	-	-	-
2	Name						
	At the beginning of the year			-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year			-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SHRI TARUN KAPOOR						
	At the beginning of the year			1	0.00	1	0.00
	Changes during the year			-	0.00	-	0.00
	At the end of the year			1	0.00	1	0.00
2	SHRI ASHWINI KUMAR						
	At the beginning of the year			1	0.00	1	0.00
	Changes during the year			-	0.00	-	0.00
	At the end of the year			1	0.00	1	0.00
3	SHRI C.KANNAN						
	At the beginning of the year			1	0.00	1	0.00
	Changes during the year			-	0.00	-	0.00
	At the end of the year			1	0.00	1	0.00
4	SHRI RAJEEV BHARDWAJ						
	At the beginning of the year			1	0.00	1	0.00
	Changes during the year			-	0.00	-	0.00
	At the end of the year			1	0.00	1	0.00
4	SHRI RAKESH KUMAR						
	At the beginning of the year			1	0.00	1	0.00
	Changes during the year			-	0.00	-	0.00
	At the end of the year			1	0.00	1	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		-		-
ii) Interest due but not paid		-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	24,63,20,000.00	-	-	24,63,20,000.00
* Reduction		-	-	-
Net Change	24,63,20,000.00	-	-	24,63,20,000.00
Indebtedness at the end of the financial year				
i) Principal Amount	24,63,20,000.00	-	-	24,63,20,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24,63,20,000.00	-	-	24,63,20,000.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (Rs/Lac)
		ASHVINI KUMAR	RAKESH KUMAR	C.KANNAN	RAJEEV BHARDWAJ	
	Name	ASHVINI KUMAR	RAKESH KUMAR	C.KANNAN	RAJEEV BHARDWAJ	
	Designation	MANAGING DIRECTOR	DIRECTOR (POWER SYSTEM)	DIRECTOR (FINANCE)	DIRECTOR (HR)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,490,467.00	2,781,019.00	2,490,265.00	2,449,924.00	10,211,675.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	363,475.00	15,600.00	356,561.00	417,464.00	1,153,100.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission					-
	- as % of profit					-
	- others, specify					-
5	Others, please specify					-
	Total (A)	2,853,942.00	2,796,619.00	2,846,826.00	2,867,388.00	11,364,775.00
	Ceiling as per the Act					

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount	
1	Independent Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
	Name	S.K GUPTA	(Rs/Lac)
	Designation	COMPANY SECRETARY	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,16,532.00	20,16,532.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,45,015.00	3,45,015.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		
	- as % of profit		-
	- others, specify		-
5	Others, please specify		-
	Total	23,61,547.00	23,61,547.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Form No. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

[Pursuant to section 204 (1) of the Companies Act, 2013 ad Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SOLAR ENERGY CORPORATION OF INDIA LIMITED
D-3, First Floor, A Wing, District Centre,
Saket, New Delhi -110017

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Solar Energy Corporation of India Limited (herein after called the company). The Corporation was incorporated as a Section 25 Company under Companies Act 1956 and converted into a Public Limited company with effect from 09th November 2015 in accordance with the provisions of the Section -8 of Companies Act 2013. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the Financial year ended on 31st March 2016' (Audit Period)', complied with the statutory provisions listed hereunder and also that the company has proper Board –processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts [regulation] Act, 1956 ['SCRA'] and the rules made there under; (Not Applicable to the Company during the audit period)
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (Not Applicable to the Company during the audit period)
 - (iv) Foreign Exchange management Act,1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;
 - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):- (Not Applicable to the Company during the audit period)
- a) SEBI (Listing obligations & Disclosure Requirement) Regulations, 2015

- b) The Securities and Exchange Board of India (substantial Acquisitions of shares and Takeovers) Regulations 2011;
 - c) The Securities and Exchange Board of India (Prohibition Insider Training) Regulations, 1992 & 2015;
 - d) The Securities and Exchange Board of India (issue of Capital and Disclosure requirements) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - f) The Securities and Exchange Board of India (Issue and Listing of debt Securities) Regulations, 2008;
 - g) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Other Laws applicable specifically to the company namely:
- a) Payment of Bonus Act, 1965;
 - b) Payment of Gratuity Act, 1972;
 - c) Employees Provident Fund and Miscellaneous provisions Act, 1952;
 - d) Apprentices Act, 1961;
 - e) Maternity Benefit Act, 1961;
 - f) Indian Stamp Act, 1899 and

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India; and (w.e.f. 05.12.2015 since when the company become public limited)
- ii) The Listing Agreement (s) entered into by the Company with Stock Exchanges (Not Applicable to the Company during the audit period)

During the period under review and based on the information, explanations and management representation, the Company has substantially complied with the provisions of the Act, Rules, Regulations, guidelines, Standards etc. mentioned above subject to the following observations:

1. As required under Para 3.1.4 of the DPE Guidelines on Corporate Governance issued by Ministry of Heavy Industries and Public Enterprises and Section 149 (4) of the Companies Act, 2013, the Company did not have the requisite composition of the Board of Directors, the number of Functional Directors is exceeding 50% of the actual strength of the Board & there is no Independent (non-official) Directors on the Board.
2. The Company has not appointed any Women Director on the Board as required under the Provisions of Section 149 (2) of the Companies Act, 2013.

I, further report that the Corporation is a Government Company under the administrative control of the Ministry of New and Renewable Energy, Govt. of India. All the Directors are nominated/appointed by the Govt. of India. As explained during audit, the proposals for appointment of Independent Director(s) and Women Director are under consideration of the Ministry of New and Renewable Energy

3. Consequent to non- availability of Independent Directors, the constitution of Audit Committee and its functions thereof were not as required DPE guidelines on Corporate Governance and Companies Act, 2013.
4. The Company has not complied with the provisions of Section 173 of the Companies Act, 2013, in respect to holding of meetings of its Board of Directors in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

I further report that the board of the Company is duly constituted with proper balance of Executive Directors and Non- Executive Directors. The change in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings at least seven days in advance, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through and there was no dissent raised by any member of the Board.

Based on the compliance mechanism established by the company we are of the opinion that the management has adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has no specific event/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above except mentioned below:

1. The Corporation has passed a special resolution in Annual General Meeting held on 12.08.15, surrendered the license issued under Section 8 of Companies Act, 2013 and converted its status from Section 8 company to Company Limited Shares and fresh Certificate of Incorporation issued by the Ministry of Corporate Affairs, on 09th November, 2015.

Sd/-
(Ashu Gupta)
Company Secretary in Practice
FCS No.: 4123
CP No. : 6646

Place : New Delhi

Date: 22.09.2016

Note: This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.

To,
The Members,
Solar Energy Corporation of India Limited
D 3, First Floor, A Wing, District Centre,
Saket New Delhi - 110017

My Report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility 'of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Sd/-
(Ashu Gupta)
Company Secretary in Practice
FCS No. 4123
CP No.: 6646

Place: New Delhi

Date: 22.09.2016

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
BALANCE SHEET AS AT 31ST MARCH 2016

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,04,00,00,000	1,03,35,00,000
Reserves and Surplus	3	17,14,69,726	65,30,611
		2,21,14,69,726	1,04,00,30,611
Share Application Money Pending Allotment		-	8,65,00,000
Non-Current Liabilities			
Long Term Borrowings	4	24,63,20,000	-
Deferred Tax Liabilities (Net)		4,78,52,249	-
Other Long term liabilities	5	6,40,28,769	-
Long term provisions	6	1,39,16,670	1,45,37,930
		37,21,17,688	1,45,37,930
Current Liabilities			
Trade Payables	7	1,17,46,11,492	2,32,26,577
Other current liabilities	8	4,27,38,62,021	1,54,23,05,504
Short-term provisions	9	4,20,59,549	16,16,317
		5,49,05,33,062	1,56,71,48,398
TOTAL		8,07,41,20,476	2,70,82,16,939
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	61,41,16,478	1,10,78,445
Intangible assets	10	29,64,497	29,41,100
Capital work-in-progress	11	5,61,800	11,60,727
Asset in Transit		-	2,92,462
Non-current Investments	12	2,55,00,000	5,00,000
Long term loans and advances	13	99,09,32,939	74,85,10,342
Other non current assets	14	3,00,000	3,00,000
		1,63,43,75,714	76,47,83,076
Current assets			
Trade receivables	15	1,34,36,26,825	10,03,55,404
Cash and Bank Balances	16	3,80,92,89,188	1,71,25,97,104
Short-term loans and advances	17	4,74,70,514	1,31,03,079
Other current assets	18	1,23,93,58,235	11,73,78,276
		6,43,97,44,762	1,94,34,33,863
TOTAL		8,07,41,20,476	2,70,82,16,939
Significant Accounting Policies	1		
Notes to Accounts	2 - 25		

The Notes form an Integral Part of the Standalone Financial Statements

For and on Behalf of the Board of Directors

Sd/-
(S .K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

In Terms of our Audit Report of Even Date

For L. D. Saraogi & Co
Chartered Accountants
FR No. 005524N

Place : New Delhi
Date :28 Jul, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

	Particulars	Note No.	Year Ended 31.03.2016	Year Ended 31.03.2015
	Revenue			
	Revenue from operations	19	5,73,90,27,485	37,59,83,830
	Other income	20	5,21,97,373	2,49,81,515
I	Total Revenue		5,79,12,24,858	40,09,65,345
	Expenses			
	Purchase of Solar Power		5,24,74,92,331	7,43,79,648
	Employee benefits expense	21	7,66,99,409	5,81,52,417
	Finance Costs	22	62,761	-
	Depreciation and amortization expense	10	43,88,216	38,65,398
	Subcontracting Expenses		31,09,571	4,30,22,443
	Other expenses	23	13,10,64,207	9,13,88,238
	Prior Period Items (Net)	24	37,23,109	2,39,374
II	Total Expenses		5,46,65,39,604	27,10,47,518
III	Profit before Exceptional and Extraordinary Items and Tax (I - II)		32,46,85,254	12,99,17,827
IV	Exceptional items		-	1,07,23,445
V	Profit before Extraordinary Items and Tax (III - IV)		32,46,85,254	11,91,94,382
VI	Extraordinary Items		-	-
VII	Profit before tax (V - VI)		32,46,85,254	11,91,94,382
VIII	Tax expense			
	(1) Current tax		8,58,18,565	-
	(2) Deferred tax		4,78,52,249	1,32,24,354
IX	Profit for the period (VII-VIII)		19,10,14,440	10,59,70,028
X	Earnings per equity share:			
	(1) Basic		147.03	135.36
	(2) Diluted		147.03	134.79
	Significant Accounting Policies	1		
	Notes to Accounts	2 - 25		

The Notes form an Integral Part of the Standalone Financial Statements

For and on Behalf of the Board of Directors

Sd/-
(S .K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

In Terms of our Audit Report of Even Date

For L. D. Saraogi & Co
Chartered Accountants
FR No. 005524N

Place : New Delhi
Date :28 Jul, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rs.)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Cash Flow from Operating Activities		
Net Profit Before Tax	32,46,85,254	11,91,94,382
Adjustments For:		
Add		
Depreciation and Amortisation	43,88,216	38,65,398
Loss on sale of asset	28,231	
Interest Expense	62,761	1,54,95,273
Less		
Interest received	5,01,59,210	2,03,18,969
Profit on sale of asset	6,635	
Operating Profit before Working Capital Changes	27,89,98,617	11,82,36,084
Changes in Working Capital		
Adjustments for operating assets:		
Less		
Increase in Trade Receivables	1,24,32,71,421	9,81,70,789
Increase in Short Term Loans and Advances	3,43,67,435	55,10,678
Increase in other Assets	1,12,19,79,959	8,44,77,230
Add		
Decrease/(Increase) in Long Term Loans and Advances	1,28,50,226	(3,31,93,676)
Adjustments for operating liabilities:		
Add		
Increase in Trade Payable	1,15,13,84,915	2,32,26,577
Increase in other Current Liabilities	2,72,84,71,242	88,50,90,436
Increase in Short Term Provisions	1,74,53,183	9,98,211
Increase/(Decrease) in Long Term Provisions	(6,21,260)	69,02,831
Increase in other Long Term liabilities	77,25,128	-
Less		
Decrease in other Long Term liabilities	-	31,350
Cash Inflow/Outflow from operations before Tax	1,79,66,43,236	81,30,70,416
Less: Advance Tax and TDS Recoverable	8,72,89,226	-
Net cash Flow From Operating Activities	1,70,93,54,010	81,30,70,416
Cash Flow From Investing Activities		
Add		
Interest Income	5,01,59,210	2,03,18,969
Proceeds from sale of fixed assets	16,985	-
Less		
Purchase and Advance of Fixed Assets	55,01,03,631	30,86,234
Advance Payment for Kidwai Nagar Building	25,38,02,162	44,41,53,784
Equity Investment in Joint Venture	2,50,00,000	5,00,000
Investment in Fixed Deposits	94,12,38,340	84,95,35,299
Net Cash Flow from Investing Activities	(1,71,99,67,938)	(1,27,69,56,348)
Cash Flow From Financing Activities		
Less		
Interest Expense	(2,52,328)	(1,54,95,273)
Add		
Proceeds from Issue of Equity Share Capital	92,00,00,000	46,35,00,000
Proceeds received for share application money pending allotment	-	8,65,00,000
Proceeds from Term Loan from State Bank of India	24,63,20,000	-

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rs.)

Net Cash Flow from Financing Activities	1,16,60,67,672	53,45,04,727
Net (Decrease)/ Increase in cash and cash equivalents (A)	1,15,54,53,744	7,06,18,795
Cash and cash equivalents in the beginning of the year (B)	9,49,51,947	2,43,33,152
Cash and cash equivalents at the end of the year (A+B)	1,25,04,05,691	9,49,51,947
Reconciliation of Cash and Cash equivalents		
Balance with Banks in Savings Accounts	-	27,99,754
Balance with Banks in Current Accounts	1,25,04,05,691	9,21,52,193
Cash and cash equivalents at the end of the year	1,25,04,05,691	9,49,51,947
Significant Accounting Policies	1	
Notes to Accounts	2 - 25	

The Notes form an Integral Part of the Standalone Financial Statements

For and on Behalf of the Board of Directors

Sd/-
(S .K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

In Terms of our Audit Report of Even Date

For L. D. Saraogi & Co
Chartered Accountants
FR No. 005524N

Place : New Delhi
Date :28 Jul, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

Notes to the Standalone Financial Statements for the Year ended 31st March, 2016

1. Significant Accounting Policies

1.1 Basis of preparation of Accounts:

These financial statements have been prepared on accrual basis of accounting under historical cost convention to comply in all material aspects with generally accepted accounting principles in India, the provisions of the Companies Act, 2013 (to the extent notified and applicable), and the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 to the extent applicable.

The accounting policies have been consistently applied by the Company. Certain accounting policies have been reworded/re-classified for the purpose of better disclosure which has no impact on profits of the Company.

1.2 Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized prospectively in the period(s) in which they materialize.

1.3 Fixed Assets:

- 1.3.1 Tangible Assets are stated at historical cost less accumulated depreciation and impairment losses, if any.
- 1.3.2 Cost of acquisition is inclusive of purchase price, import duties and other non-refundable taxes or levies and any other directly attributable costs, interest during construction, duties, freight, installation and allocated incidental expenditure during construction/acquisition attributable to bringing the assets to their working condition for their intended use.
- 1.3.3 Intangible assets are stated at their cost of acquisition less accumulated amortization and impairment losses, if any.
- 1.3.4 In case of assets where final settlement of bills with contractors is yet to be effected but the asset is complete and ready to use, capitalization is done on provisional basis subject to necessary adjustments in the year of the final settlement.

1.4 Capital Work in progress

- 1.4.1 Capital work-in-progress is carried at cost. Cost of material consumed, erection charges thereon along with other related expenses incurred for the project are shown as Capital work-in-progress till the date of capitalization.
- 1.4.2 Expenditure of corporate office and other administrative and general overheads, attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related assets.

1.5 Depreciation and Amortization

- 1.5.1 Depreciation on tangible assets of Power generating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff.
- 1.5.2 Leasehold Land is amortized over the period of lease on a straight line basis.
- 1.5.3 Depreciation on assets other than the assets specified in Policy No. 1.5.1 and 1.5.2 is provided on straight line method following the useful life specified in the Schedule II of Companies Act, 2013.
- 1.5.4 Depreciation is computed on Intangible Assets on straight line basis over a period of 5 years in accordance with Accounting Standard 26 on Intangible Assets.
- 1.5.5 Depreciation/amortization is provided on pro rata basis from/up to the date on which the asset becomes available to use/is disposed off.
- 1.5.6 Depreciation on assets declared surplus/ obsolete is provided till the end of the month in which such declaration is made.
- 1.5.7 Assets costing Rs 5,000 or less are fully depreciated in the year of acquisition on account of materiality.

1.6 Investments

- 1.6.1 Long term Investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments.
- 1.6.2 Current investments are valued at lower of cost and fair value determined on an individual investment basis.

1.7 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

1.8 Inventories

Inventories are valued at lower of cost and estimated net realizable value.

1.9 Revenue and Expenditure Recognition

Revenue and expenses are accounted on the basis of accrual method of accounting except for certain incomes and expenses which are accounted on receipt/payment basis as disclosed below.

1.9.1 Purchase and Sale of Solar Power

Revenue from sale of power is recognized on the basis of terms and conditions of Power Sale Agreements (PSA) with the State Buying Utilities and as per rates agreed with the customers. The Units (KWh) are recognized on the basis of Joint Meter Reading / State Energy Accounting (JMR)/(SEA) in case of Intra State power sale and Regional Energy Accounting (REA) in the case of Inter State transaction for raising of invoices to DISCOMS / Buying Utilities.

Purchase of energy is accounted for on the basis of Joint Meter Reading /State Energy Accounting/Regional Energy Accounting (JMR/SEA/REA) as per the terms of Power Purchase Agreements (PPA) executed with Solar Power Developers (SPDs).

Purchase and Sales transaction are reconciled at regular intervals in order to reconcile with the units traded.

As per terms of PSAs, the surcharge on late payment leviable on DISCOMS for sale of energy is recognized on receipt basis and similarly as per terms of PPAs, the surcharge on late payment is accounted on the basis of recovery from the DISCOMS.

Any charges levied by Regional Load Dispatch Centre(RLDC)/ State Load Dispatch Centre(SLDC) /Central Transmission Utility (CTU)/ State Transmission Utility (STU) which have been received from respective agency during the year has been recovered/passed on to SPD's/DISCOM as applicable as per terms of PPAs / PSAs and such charges are being accounted for on receipt/ payment basis.

- 1.9.2 In accordance with the Government Guidelines regarding 750 MW Grid-connected Solar PV Power Projects under JNNISM Phase-II, Batch-I, the Payment Security Fund (PSF) has been set up in order to ensure timely payment to the developers. The money received from encashment of Bank Guarantees, interest earned on this fund, incentives for early payment, the extra money coming from 10% lower tariff to developers claiming Additional Depreciation and the grants from Government/NCEF will be used to build this fund. The amount received on account of above shall be credited directly to the PSF, as per the Guidelines.

In line with the decision taken by the Empowered Committee to remove difficulties in implementation of scheme for setting up 750 MW Grid-connected Solar PV Power Projects under JNNISM Phase-II, Batch-I during its Fifth Meeting held on 1st May 2015, the PSF is being utilized to meet the expenses which are not recoverable from the buying utilities on account of short term open access charges, UI Charges, energy charges not accounted by the buying utility in the home states on account of Inter-state scheduling of power etc. for the time being. Further, such expenses etc. can then be recouped out of earnings from sale of surplus power which will be available at Rs. 3 Kw/hr.

As per terms of PPA signed with various SPDs there are some cases in which tariff payable has been reduced below Rs 5.45/kWh. Any amount of reduction in purchase of solar power due to reduction in tariff is being directly credited to the PSF.

In case of short recovery of tariff from the buying utilities/DISCOMs based on average pool pricing due to policy/regulatory issues and transmission-evacuation/open access constraints etc., the differential payment to the developers from the agreed PPA rate is debited to PSF directly.

- 1.9.3 Any difference arising in units of sales and purchase of Power due to State Energy Accounting (SEA)/ Regional Energy Accounting (REA)/ Joint Meter Reading (JMR) is properly dealt with in the accounts. In case of excess of sold units over purchased units, the difference is credited to PSF. In case of excess of purchased units over bills raised to DISCOMs, the same is recovered from the SPDs.

1.9.4 Revenue from consultancy services is recognized proportionately with the degree of completion of services in line with the terms of respective consultancy contracts. In respect of cases where ultimate collection with reasonable certainty is lacking at the time of claim, recognition is postponed till collection is made.

1.9.5 Revenue recognition in case of Grid-connected Rooftop Projects

MNRE provides 3% of Central Financial Assistance (CFA) in respect of Rooftop Projects towards Publicity, Orientation, Awareness Programme, Workshops, Field Visits, Monitoring and Technical guidance etc.

Revenue from Project monitoring and Technical Guidance in respect of Rooftop Projects – Grid/ Off Grid is recognized for on the basis of the following mentioned progress stages of projects:

Stage	% of Allocation	Cumulative % of Allocation
Allocation	1.50%	1.50%
Sanction	0.25%	1.75%
Commissioning	0.25%	2.00%
Operation & Maintenance - I Year	0.50%	2.50%
Operation & Maintenance - II Year	0.50%	3.00%
	3.00%	

The actual expenditure incurred towards Publicity, Orientation, Awareness Programme, Workshops and Field visits is deducted from the revenue recognized above and the net income is disclosed.

The service charges received from the developer under Rooftop Projects in respect of the above are being recognized as income in the year in which the project capacity is sanctioned. The charges on the late payment of service charges are accounted on receipt basis.

1.9.6 Fund handling charges under various MNRE Schemes are recognized as income in proportion to funds disbursed as per sanction letter issued by MNRE.

1.9.7 The Success fee @0.2% of estimated capital cost in respect of the solar power project under 2000 MW State specific Scheme is being charged from the Solar Power Developers. 90% of 0.2% is recognized as income at the time of issuance of LOI based on the completion of various activities/services rendered as per technical estimates and balance 10% of 0.2% is recognized at the time of commissioning of Solar Power Projects

1.9.8 Revenue recognition under Construction Contracts

Contract Revenue represents the cost of work performed on the contract plus proportionate margin using the percentage of completion method. Percentage of completion is determined as a proportion of cost of work performed to date to the total estimated contract costs.

Project and construction related work in progress is reflected at cost till such time the outcome of the job cannot be ascertained reliably and at realizable value thereafter.

In case of contracts where the contract costs exceed the contract revenues, the anticipated loss is recognized immediately.

- 1.9.9 Escalation and extra works not provided for in the contract with client, claims arising out of arbitration awards and insurance claims are accounted for on receipt basis.
- 1.9.10 Liquidated damages arising from contractual obligations in respect of contracts under dispute/ negotiation and not considered payable/receivable are not accounted for till final settlement.
- 1.9.11 Prepaid expenses and prior period expenses/income of items of Rs. 100,000/- and below are charged to natural heads of accounts in the year of payment/receipt.

1.10 Taxes on Income

- 1.10.1 Provision for Current Income Tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961.
- 1.10.2 Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, and is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

1.11 Impairment of Assets

An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss account as an exceptional item in the year in which an asset is identified as impaired.

1.12 Foreign Currency Transactions

1.12.1 Initial Recognition

Foreign currency transactions are initially recorded at the rate of exchange prevailing on the date of transaction.

1.12.2 Conversion

Foreign Currency monetary items are translated with reference to the rates of exchange prevailing on the date of the Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of transaction and non- monetary items which are carried at fair value or similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

1.12.3 Exchange Difference

Exchange difference arising on settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

1.13 Provision, Contingent Liabilities & Contingent Assets

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not

discounted to present value. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are neither recognized, nor disclosed in the financial statements.

1.14 Employees Benefits

Employee benefits, inter-alia include provident fund, pension, gratuity, leave benefits and post-retirement benefits.

- 1.14.1 Defined contribution plans - Company's contribution paid/payable during the year to Provident Fund and Pension Fund is recognized in the Statement of Profit and Loss on accrual basis.
- 1.14.2 Defined Benefit plans - Company's liability towards gratuity, leave benefits, post-retirement benefits is determined on the basis of actuarial valuation at the end of financial year using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the year of its occurrence.
- 1.14.3 Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.
- 1.14.4 Liability in respect of gratuity, leave encashment and provident fund of employees on deputation with the Company are accounted for on the basis of terms and conditions of deputation of the parent organizations.

1.15 Leases

Assets acquired on lease where a significant portion of the risk and rewards of the ownership is retained by the Lessor are classified as Operating Lease. Lease Rentals are charged to revenue over the lease term on the basis of lease agreements. Initial Direct Costs are charged to the Statement of Profit and Loss in period in which the same are incurred.

SOLAR ENERGY CORPORATION OF INDIA LIMITED
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NOTES TO FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 2: SHARE CAPITAL

Share Capital	As at 31.03.2016		As at 31.03.2015	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs1000 each	2,00,00,000	20,00,00,00,000	2,00,00,000	20,00,00,00,000
Issued & Subscribed * Equity Shares of Rs1000 each	60,00,000	6,00,00,00,000	60,00,000	6,00,00,00,000
Fully paid up Equity Shares of Rs1000 each	20,40,000	2,04,00,00,000	10,33,500	1,03,35,00,000
Total	20,40,000	2,04,00,00,000	10,33,500	1,03,35,00,000

* The Subscribers to the Memorandum and Article of Association had undertaken to subscribe 60,00,000 Equity Shares of Rs. 1000 each out of which 20,40,000 Equity Shares of Rs. 1000 each have been subscribed and fully paid up.

A. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	2015-16		2014-15	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10,33,500	1,03,35,00,000	4,20,000	42,00,00,000
Shares Issued during the year	10,06,500	1,00,65,00,000	6,13,500	61,35,00,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	20,40,000	2,04,00,00,000	10,33,500	1,03,35,00,000

B. The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them. (Refer Note 25.27 regarding restriction on declaration of dividends till F.Y. 2014-15 since the Company was registered under Section 25 of the Companies Act, 1956)

C. Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
President of India	20,40,000	100	10,33,500	100

D. In preceding five financial years immediately preceding 31.03.2016, Company has not allotted any equity share as fully paid up pursuant to contract(s) without payment being received in cash/ not allotted any equity share as fully paid up by way of bonus share(s)/not bought back any shares.

SOLAR ENERGY CORPORATION OF INDIA LIMITED (Formerly known as Solar Energy Corporation of India)

NOTES TO FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 3 : RESERVES & SURPLUS

Reserves & Surplus	Amount as at 31.03.2016	Amount as at 31.03.2015
Surplus/ (Deficit) in the Statement of Profit & Loss		
Balance as at beginning of the year	65,30,611	(9,94,39,417)
Add: Profit/(Loss) for the year	19,10,14,440	10,59,70,028
Less : Transfer to Grant Account for previous year	(30,85,276)	-
Amount available for appropriations:	19,44,59,775	65,30,611
Appropriations:		
Less : Proposed Dividend [amount per share Rs.9.36/- (Previous Year Rs. NIL/-)]	(1,91,01,444)	-
Less : Tax on Proposed Dividend	(38,88,605)	-
Net Surplus/ (Deficit) in the Statement of Profit & Loss	17,14,69,726	65,30,611

NOTE 4 : LONG TERM BORROWINGS

Long Term Borrowings	Amount as at 31.03.2016	Amount as at 31.03.2015
Secured		
Term Loan from State Bank of India (Interest- 9.30%p.a. (floating at Base Rate of SBI), Repayment starting from 30.06.2017 (after expiry of 1 year of moratorium period) in 56 equal quarterly instalments of Rs. 87.5 Lakhs each. Secured by hypothecation and mortgage by first charge on the fixed assets (moveable & immovable), receivables and accounts, both present and future related to the 10MW Solar PV plant at Badi, Rajasthan of the company)	24,63,20,000	-
Total	24,63,20,000	-

The company has been sanctioned Non Fund Facility of Rs. 50 crore from HDFC Bank Limited against hypothecation of all present and future receivables.

The company has been sanctioned Non Fund Facility of Rs. 50 crore from SBI against hypothecation of all present and future current assets, securities and receivables.

NOTE 5 : OTHER LONG TERM LIABILITIES

Other Long term Liabilities	Amount as at 31.03.2016	Amount as at 31.03.2015
Security Deposit	77,25,128	-
Capital Creditors	5,63,03,641	-
Total	6,40,28,769	-

NOTE 6 : LONG TERM PROVISIONS

Long Term Provisions	Amount as at 31.03.2016	Amount as at 31.03.2015
Provisions for Earned Leaves	49,34,407	43,18,431
Provision for Half Pay Leaves	21,75,544	17,28,209
Provision for Gratuity	29,46,157	17,24,587
Provision for other Post Retirement Benefits	28,99,076	61,40,376
Provision for Post Retirement Medical Scheme	9,61,486	6,26,327
Total	1,39,16,670	1,45,37,930

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NOTES TO FINANCIAL STATEMENTS:**NOTE 7 : TRADE PAYABLES**

Trade Payables	Amount as at 31.03.2016	Amount as at 31.03.2015
Trade Payables	1,17,46,11,492	2,32,26,577
Total	1,17,46,11,492	2,32,26,577

NOTE 8 : OTHER CURRENT LIABILITIES

Other Current Liabilities	Amount as at 31.03.2016	Amount as at 31.03.2015
Subsidy for Disbursement	2,46,23,34,249	1,17,45,34,001
Grant received from MNRE	1,28,338	4,88,19,120
Advance from Clients	6,19,85,320	11,97,64,079
Duties & Taxes	51,84,639	1,11,69,139
Security Deposit	2,21,29,585	66,11,235
Subsidy Payable	-	4,74,89,080
Purchase of Solar Power Payables	67,23,02,985	7,43,79,648
Payment Security Fund	84,13,65,856	5,36,00,900
Other Payable	20,84,31,049	59,38,302
Total	4,27,38,62,021	1,54,23,05,504

NOTE 8.1 : PAYMENT SECURITY FUND

Payment Security Fund	Amount as at 31.03.2016	Amount as at 31.03.2015
Balance as at beginning of the year	5,36,00,900	-
Addition during the year	83,62,39,402	5,36,00,900
Adjustments during the year	(4,84,74,446)	-
Balance as at the end of the year	84,13,65,856	5,36,00,900

NOTE 9 : SHORT TERM PROVISIONS

Short Term Provisions	Amount as at 31.03.2016	Amount as at 31.03.2015
Provisions for Earned Leaves	11,83,891	6,60,172
Provision for Half Pay Leaves	2,72,022	2,58,024
Provision for Gratuity	18,351	11,213
Provision for Post Retirement Medical Scheme	2,071	110
Provision for Deputation Employee Benefits	11,93,165	6,86,798
Provision for Performance Related Pay	1,64,00,000	-
Proposed Dividend Payable	1,91,01,444	-
Provision for Corporate Dividend Tax Payable	38,88,605	-
Total	4,20,59,549	16,16,317

SOLAR ENERGY CORPORATION OF INDIA LIMITED (Formerly known as Solar Energy Corporation of India)

NOTES TO FINANCIAL STATEMENTS:

NOTE 10 : FIXED ASSETS Financial Year 2015-16

(Amount in Rs.)

Particulars	GROSS BLOCK AT COST			DEPRECIATION AND AMORTIZATION			NET BLOCK	
	As at 01.04.2015	Additions	Total as at 31.03.2016 Sales / adjustment	As at 01.04.2015	Adjustment	Total as at 31.03.2016 Deduction during the year	As at 31.3.2016	As at 31.3.2015
TANGIBLE ASSETS								
Plant & Machinery	-	57,68,11,758	57,68,11,758	-	-	-	57,67,19,878	-
Leasehold Land	-	1,92,87,300	1,92,87,300	-	-	-	1,90,53,205	-
Building Computers	-	71,41,553	71,41,553	-	-	-	71,40,415	-
Computer - End User Device	35,66,045	20,94,909	56,53,654	19,55,709	-	(7,300)	24,16,536	16,10,336
Computer - Servers & Network	1,00,485	-	1,00,485	19,281	-	-	65,315	81,204
Office Equipment	34,86,394	9,36,304	43,40,758	9,67,581	-	(57,088)	26,36,324	25,18,813
Furniture & Fixtures	7,49,924	2,66,060	10,04,250	1,19,599	-	(7,541)	8,04,768	6,30,325
Motor Vehicles	78,84,320	-	78,84,320	16,46,553	-	-	52,80,037	62,37,767
(A) - Total Tangible Assets	1,57,87,168	60,65,37,884	(1,00,974)	47,08,723	-	(71,929)	61,41,16,478	1,10,78,445
INTANGIBLE ASSETS								
Computer Software	41,54,264	9,53,452	50,91,739	12,13,164	3,109	(6,441)	29,64,497	29,41,100
(B) - Total Intangible Assets	41,54,264	9,53,452	(15,977)	12,13,164	3,109	(6,441)	29,64,497	29,41,100
Grand Total (A+B)	1,99,41,432	60,74,91,336	(1,16,951)	59,21,887	3,109	(78,370)	61,70,80,975	1,40,19,545

SOLAR ENERGY CORPORATION OF INDIA LIMITED (Formerly known as Solar Energy Corporation of India)

NOTES TO FINANCIAL STATEMENTS:

NOTE 10 : FIXED ASSETS Financial Year 2014-15

(Amount in Rs.)

Particulars	GROSS BLOCK AT COST			DEPRECIATION AND AMORTIZATION			NET BLOCK			
	As at 01.04.2014	Additions	Sales / adjustment	Total as at 31.03.2015	As at 01.04.2014	Adjustment	For The Year	Total as at 31.03.2015	As at 31.3.2014	As at 31.3.2015
TANGIBLE ASSETS										
Computers										
Computer - End User Device	29,65,685	6,00,360	-	35,66,045	5,48,332	-	14,07,377	19,55,709	24,17,353	16,10,336
Computer - Servers & Network	1,00,485	-	-	1,00,485	3,392	-	15,889	19,281	97,093	81,204
Office Equipment	34,33,509	52,885	-	34,86,394	2,90,361	-	6,77,220	9,67,581	31,43,148	25,18,813
Furniture & Fixtures	4,82,223	2,67,701	-	7,49,924	53,889	-	65,710	1,19,599	4,28,334	6,30,325
Motor Vehicles	78,84,320	-	-	78,84,320	6,88,823	-	9,57,730	16,46,553	71,95,497	62,37,767
(A) - Total Tangible Assets	1,48,66,222	9,20,946	-	1,57,87,168	15,84,797	-	31,23,926	47,08,723	1,32,81,425	1,10,78,445
INTANGIBLE ASSETS										
Computer Software	34,42,165	7,12,099	-	41,54,264	4,71,692	-	7,41,472	12,13,164	29,70,473	29,41,100
(B) - Total Intangible Assets	34,42,165	7,12,099	-	41,54,264	4,71,692	-	7,41,472	12,13,164	29,70,473	29,41,100
Grand Total (A+B)	1,83,08,387	16,33,045	-	1,99,41,432	20,56,489	-	38,65,398	59,21,887	1,62,51,898	1,40,19,545

SOLAR ENERGY CORPORATION OF INDIA LIMITED (Formerly known as Solar Energy Corporation of India)

NOTES TO FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 11: CAPITAL WORK IN PROGRESS

Capital Work in Progress	Amount as at 31.03.2016	Amount as at 31.03.2015
Expenditure pending allocation:		
Registration Charges	5,61,800	11,23,600
Travelling Expenses	-	37,127
Total	5,61,800	11,60,727

NOTE 12 : NON CURRENT INVESTMENTS

Non Current Investments	Amount as at 31.03.2016	Amount as at 31.03.2015
Trade Investment in Equity Shares, fully paid up (Unquoted)		
(50% equity shares (50,000 shares of Face Value of Rs. 10 each) in Joint Venture Company - Andhra Pradesh Solar Power Corporation Private Limited, valued at cost)	5,00,000	5,00,000
(50% equity shares (5,000 shares of Face Value of Rs. 1000 each) in Joint Venture Company - Renewable Power Corporation of Kerala Limited, valued at cost)	50,00,000	-
(50% equity shares (5,00,000 shares of Face Value of Rs. 10 each) in Joint Venture Company - Karnataka Solar Power Development Corporation Private Limited, valued at cost)	50,00,000	-
(50% equity shares (5,00,000 shares of Face Value of Rs.10 each) in Joint Venture Company - Lucknow Solar Power Development Corporation Limited, valued at cost)	50,00,000	-
(50% equity shares (10,000 shares of Face Value of Rs. 1,000 each) in Joint Venture Company - Rewa Ultra Mega Solar Limited, valued at cost)	1,00,00,000	-
Total	2,55,00,000	5,00,000

NOTE 13 : LONG TERM LOANS & ADVANCES

Long Term Loans and Advances	Amount as at 31.03.2016	Amount as at 31.03.2015
Secured, considered good		
Advance to Contractor	1,18,34,415	-
Unsecured, considered good		
Capital Advances	95,33,54,613	69,89,23,319
Security Deposits	1,05,200	1,63,29,520
Tax Credit	2,56,38,711	3,32,57,503
Total	99,09,32,939	74,85,10,342

NOTE 14 : OTHER NON CURRENT ASSETS

Other non current assets	Amount as at 31.03.2016	Amount as at 31.03.2015
Fixed Deposit Earmarked (Sales Tax Guarantee)	3,00,000	3,00,000
Total	3,00,000	3,00,000

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NOTES TO FINANCIAL STATEMENTS:

NOTE 15: TRADE RECEIVABLES

Trade Receivables	Amount as at 31.03.2016	Amount as at 31.03.2015
Trade receivables outstanding for a period less than six months from the date they are due for payment -Unsecured, considered good	1,34,15,17,446	9,79,26,123
Trade receivables outstanding for a period exceeding six months from the date they are due for payment -Unsecured, considered good	21,09,379	24,29,281
Total	1,34,36,26,825	10,03,55,404

NOTE 16 : CASH AND BANK BALANCES

Cash and Bank balances	Amount as at 31.03.2016	Amount as at 31.03.2015
Cash and cash equivalents		
Balances with banks in :		
Saving Account	-	27,99,754
Current Accounts	1,25,04,05,691	9,21,52,193
Other Bank Balances		
Fixed Deposit	2,55,88,83,497	1,61,76,45,157
Total	3,80,92,89,188	1,71,25,97,104

NOTE 17 : SHORT TERM LOANS & ADVANCES

Short-term loans and advances	Amount as at 31.03.2016	Amount as at 31.03.2015
Unsecured, considered good		
Loans and advances		
Staff Advance	3,91,983	49,000
Amount Recoverable	1,98,43,524	1,14,24,748
Prepaid Expenses	5,72,951	7,12,458
Security Deposits	1,62,24,320	-
Tax Credit	1,04,37,736	9,16,873
Total	4,74,70,514	1,31,03,079

NOTE 18 : OTHER CURRENT ASSETS

Other Current Assets	Amount as at 31.03.2016	Amount as at 31.03.2015
Interest Accrued but not due	6,78,30,972	4,23,16,246
Unbilled Revenue - Solar Power	1,14,75,34,302	7,50,62,030
Other Current Assets	2,39,92,961	-
Total	1,23,93,58,235	11,73,78,276

NOTE 19: REVENUE FROM OPERATIONS

Revenue from Operations	Year Ended 31.03.2016	Year Ended 31.03.2015
Sale of Solar Power	5,29,47,46,253	7,50,62,030
Consultancy and Project Monitoring Fees	38,74,02,426	25,22,26,554
Work Done Projects	35,28,248	4,67,23,464
Other Operating Income	5,33,50,558	19,71,782
Total	5,73,90,27,485	37,59,83,830

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NOTES TO FINANCIAL STATEMENTS:

NOTE 20: OTHER INCOME

Other Income	Year Ended 31.03.2016	Year Ended 31.03.2015
Interest Income	5,14,42,988	2,03,18,969
Other Non-operating income	7,54,385	46,62,546
Total	5,21,97,373	2,49,81,515

NOTE 21: EMPLOYEE BENEFITS EXPENSE

Employee Benefits Expense	Year Ended 31.03.2016	Year Ended 31.03.2015
Salaries, Wages, Allowances & Benefits	6,62,42,625	4,86,17,286
Contribution to Provident and Other Funds	96,38,361	88,24,101
Staff Welfare Expenses	8,18,423	7,11,030
Total	7,66,99,409	5,81,52,417

NOTE 22: FINANCE COSTS

Finance Costs	Year Ended 31.03.2016	Year Ended 31.03.2015
Interest on Term Loan	62,761	-
Total	62,761	-

NOTE 23: OTHER EXPENSES

(Amount in Rs.)

Other Expenses	Year Ended 31.03.2016	Year Ended 31.03.2015
Rent	4,64,23,183	4,93,41,076
Repair & Maintenance of Building	54,87,052	57,93,816
Security & Manpower Expenses	95,78,955	82,71,043
Vehicle Running Expenses	26,82,254	16,32,187
Training & Recruitment Expenses	20,67,171	10,75,925
Travelling & Conveyance Expenses	1,07,32,579	52,47,882
Advertisement & Publicity	2,00,20,584	29,09,338
Communication Expenses	21,23,680	22,85,670
Guest House Expenses	-	3,50,973
Water, Power & Electricity Charges	6,39,944	9,54,885
Legal & Professional Charges	42,98,691	41,96,947
Office Repair & Maintenance	19,27,520	9,39,449
Printing, Postage & Stationary	28,12,083	8,00,150
Meeting Expenses	18,10,743	8,84,961
License Fees	18,27,000	6,06,000
Bank Charges	57,502	30,774
Insurance Expenses	2,81,990	1,93,861
Professional Books & Journals	53,597	64,525
Loss on Asset Written Off	28,231	-
Sponsorship Expenses	78,49,238	44,500
Interest to NBCC Kidwai Nagar	-	47,71,828
Foundation Day Expenses	19,32,946	-
Support Service Charges	80,68,713	-
Miscellaneous Expenses	2,84,981	9,16,448
Auditor's Remuneration		
Audit Fees	68,700	60,000
For Reimbursement of Expenses	6,870	6,000
For other Services	-	10,000
Total	13,10,64,207	9,13,88,238

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)

NOTES TO FINANCIAL STATEMENTS:

NOTE 24: PRIOR PERIOD ITEMS (NET)

Prior Period Items (Net)	Year Ended 31.03.2016	Year Ended 31.03.2015
Travelling Expense	-	4,39,374
Employee Benefits Expense	36,00,000	-
Miscellaneous Expense/(Income)	1,23,109	(2,00,000)
Total	37,23,109	2,39,374

25 Notes to Financial Statement:

25.1 Disclosure as per Accounting Standard (AS)-1 on 'Disclosure of Accounting Policies'

The Accounting policies at S.No.1.4, 1.5.1, 1.5.2, 1.9.2, 1.9.3, 1.9.6, 1.9.7, 1.14.3, 1.14.4 and 1.15 have been added in conformity with the Accounting Standards and applicable CERC orders/Guidelines. There is no impact on the profit due to the above additions.

25.2 Disclosure as per Accounting Standard (AS)-3 on 'Cash Flow Statement'

Cash Flows Statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS-3), 'Cash Flow Statement'.

25.3 Disclosure as per Accounting Standard (AS)- 7 on 'Construction Contracts'

S. No.	Particulars	As at 31.03.2016	As at 31.03.2015
1	Contract revenue recognized as revenue in the Period	35,28,248	4,67,23,464
2	Gross amount due from customers for contract work—presented as an asset	Nil	Nil
3	Gross amount due to customers for contract work – presented as a liability	11,19,722	11,19,722

25.4 Disclosure as per Accounting Standard (AS) - 11 on 'Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

The amount of exchange differences (net) debited to the statement of profit & loss is Rs. 1,729/- ((previous year credit of Rs. 382/- (net)).

25.5 Disclosure as per Accounting Standard (AS)- 15 on 'Employee Benefits'

General descriptions of various defined employee benefits are as under:

25.5.1 Defined Contribution Plans:

25.5.1.1 Employer's contribution to Provident Fund:

The company pays fixed contribution to provident fund at predetermined rates to Employees Provident Fund Organization. The amount recognized as expense (including administration charges) and charged to the Statement of Profit and Loss is as under:

Particulars*	(Amount in Rs.)	
	Year ended 31.03.2016	Year ended 31.03.2015
Amount paid to EPFO	43,51,796	33,47,825
Amount paid to the Parent organization for employees on deputation	6,11,606	4,84,532
Less: Transferred to Grant/capitalized	7,87,957	---
Amount recognized as expense in the Statement of Profit and Loss	41,75,445	38,32,357

* including Administration charges

25.5.1.2 Employer's contribution to Pension Scheme:

The defined contribution pension scheme of the Company for its employees which is effective from 1st June 2012 has been approved by MNRE during the current year. As per the Scheme, company pays fixed contribution at predetermined rates to LIC. The contribution of Rs. 32,40,135/- (Previous year Rs. 23,03,133/-) to the LIC for the year has been recognized as expense and has been charged to the Statement of Profit and Loss Account.

25.5.2 Defined Benefit Plans:

25.5.2.1 Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs. 10 lakhs on superannuation, resignation, termination, disablement or on death. The liability towards gratuity has been provided on the basis of actuarial valuation. The liability is unfunded.

25.5.2.2 Earned Leave Encashment

The company has defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

25.5.2.3 Half Pay Leave Encashment

The company has defined benefit half pay leave encashment plan for its Employees. Under this plan they are entitled to encashment of half pay leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

25.5.2.4 Post-Retirement Medical Scheme (PRMS):

The Company has formulated Post-Retirement Medical Scheme, under which retired employee and his/her spouse are provided medical facilities in the company hospitals/empanelled hospitals which is under the approval of MNRE, the Administrative Ministry. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability towards the Post-Retirement medical expenses has been provided on the basis of actuarial valuation (pending approval from MNRE). The liability is unfunded.

25.5.2.5 Post-Retirement Superannuation Benefits

DPE Guidelines on Revision of Pay Scales (Industrial DA Patterns) of employees include a provision for providing superannuation benefits up to 30% of Basic Pay & DA which include CPF, Gratuity, Post superannuation medical facilities and Pension. As per guidelines, the CPSEs are to make their own schemes in this regard. The Provision of balance remaining amount out of 30 % of Basic Pay & DA towards Post- Retirement Superannuation Benefits of Rs. 13,02,627/- (Previous Year Rs. 11,18,239/-) and out of which Rs. 9,03,065/- have been transferred to respective grant/capitalized during the year. The liability is unfunded.

The Company has provided for the following employee benefits under the aforementioned DPE guidelines, for employees other than employees on deputation:

(Amount in Rs.)

Sl. No.	Particulars	2015-16	2014-15
1.	Defined Contribution Plan – Provident Fund	38,88,161	30,61,400
2.	Defined Contribution Plan – Pension	32,40,134	23,03,133
3.	Defined Benefit Plan- Gratuity	9,52,360	8,40,690
4.	Defined Benefit Plan – PRMS	3,37,120	3,30,037
5.	Post Retirement other benefits	13,02,627	11,18,239
	Basic +D.A. = 3,24,01,341/- X 30% (Previous Year: 2,55,11,663/- X 30%)	97,20,402	76,53,499

25.5.3 Key principal assumptions used for Actuarial Valuation are as under:

25.5.3.1 Economic Assumptions

Particulars	Earned Leave, Half Pay Leave, Gratuity and Post- Retirement Medical Benefits	
	2015-16	2014-15
i) Discounting Rate (%) per annum	8.00	8.00
ii) Future salary increase (%)per annum	6.00	6.00

25.5.3.2 Demographic Assumptions

i) Retirement Age (Years)	60	60
ii) Mortality Table	IALM (2006-08)	
iii) Ages	Withdrawal	
	Rate (%)	
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

25.5.4 The summarized position of various defined benefits recognized in the Statement of Profit and Loss and Balance Sheet are as under:

25.5.4.1 Change in present value of obligation – Leave Benefits

(Amount in Rs.)

Sl. No.	Particulars	Earned Leave		Half Pay Leave	
		2015-16	2014-15	2015-16	2014-15
a)	Present value of obligation as at the beginning of the period	49,78,603	27,12,996	19,86,233	11,93,552
b)	Acquisition adjustment	94,407	74,029	9,938	26,488
c)	Interest cost	3,98,288	2,30,605	1,58,899	1,01,452
d)	Past service cost	--	--	--	--
e)	Current service cost	20,05,956	25,56,710	8,12,893	10,48,759
f)	Benefits paid	(3,80,633)	(2,73,010)	--	--
g)	Actuarial (gain)/ loss on obligation	(9,78,323)	(3,22,727)	(5,20,397)	(3,84,018)
h)	Present value of obligation as at the end of period	61,18,298	49,78,603	24,47,566	19,86,233

25.5.4.2 The amounts to be recognized in Balance Sheet and related analysis – Leave Benefits

(Amount in Rs.)

Sl. No.	Particulars	Earned Leave		Half Pay Leave	
		2015-16	2014-15	2015-16	2014-15
a)	Present value of obligation as at the end of the period	61,18,298	49,78,603	24,47,566	19,86,233
b)	Fair value of plan assets as at the end of the period	--	--	--	--
c)	Funded status	(61,18,298)	(49,78,603)	(24,47,566)	(19,86,233)
d)	Net asset/ (liability) recognized in Balance Sheet	(61,18,298)	(49,78,603)	(24,47,566)	(19,86,233)

25.5.4.3 Expense recognized in the Statement of Profit and Loss – Leave Benefits

(Amount in Rs.)

Sl. No.	Particulars	Earned Leave		Half Pay Leave	
		2015-16	2014-15	2015-16	2014-15
a)	Current service cost	20,05,956	25,56,710	8,12,893	10,48,759
b)	Past service cost	--	--	--	--
c)	Interest cost	3,98,288	2,30,605	1,58,899	1,01,452
d)	Expected return on plan assets	--	--	--	--
e)	Net actuarial (gain)/ loss recognized in the period	(9,78,323)	(3,22,727)	(5,20,397)	(3,84,018)
f)	Transferred to Grant	(61,953)	--	--	--
g)	Capitalized in Project	(2,87,819)	--	--	--
h)	Expenses recognized in the Statement of Profit and Loss	10,76,149	24,64,588	4,51,395	7,66,193

25.5.4.4 Change in present value of obligation - PRMS and Gratuity benefits

(Amount in Rs.)

Sl. No.	Particulars	PRMS		Gratuity	
		2015-16	2014-15	2015-16	2014-15
a)	Present value of obligation as at the beginning of the period	6,26,437	2,96,400	17,35,800	8,95,110
b)	Acquisition adjustment	--	--	2,76,348	--
c)	Interest cost	50,115	25,194	1,38,864	76,084
d)	Past service cost	--	--	--	--
e)	Current service cost	3,80,899	2,99,428	11,02,619	8,25,531
f)	Benefits paid	--	--	--	--
g)	Actuarial (gain)/ loss on obligation	(93,894)	5,415	(2,89,123)	(60,925)
h)	Present value of obligation as at the end of period	9,63,557	6,26,437	29,64,508	17,35,800

25.5.4.5 The amounts to be recognized in Balance Sheet and related analysis - PRMS and Gratuity benefits

(Amount in Rs.)

Sl. No.	Particulars	PRMS		Gratuity	
		2015-16	2014-15	2015-16	2014-15
a)	Present value of obligation as at the end of the period	9,63,557	6,26,437	29,64,508	17,35,800
b)	Fair value of plan assets as at the end of the period	--	--	--	--
c)	Funded status	(9,63,557)	(6,26,437)	(29,64,508)	(17,35,800)
d)	Net asset/ (liability) recognized in Balance Sheet	(9,63,557)	(6,26,437)	(29,64,508)	(17,35,800)

25.5.4.6 Expense recognized in the Statement of Profit and Loss - PRMS and Gratuity benefits

(Amount in Rs.)

Sl. No.	Particulars	PRMS		Gratuity	
		2015-16	2014-15	2015-16	2014-15
a)	Current service cost	3,80,899	2,99,428	11,02,619	8,25,531
b)	Past service cost	--	--	--	--
c)	Interest cost	50,115	25,194	1,38,864	76,084
d)	Expected return on plan assets	--	--	--	--
e)	Net actuarial (gain)/ loss recognized in the period	(93,894)	5,415	(2,89,123)	(60,925)
f)	Expenses recognized in the Statement of Profit and Loss	3,37,120	3,30,037	9,52,360	10,57,793

25.5.4.7 The effect of one percentage point increase/decrease in the medical cost of PRMS will be as under:

(Amount in Rs.)

Sl. No.	Particulars	2015-16		2014-15	
		Increase by	Decrease by	Increase by	Decrease by
a)	Service & Interest Cost	1,83,817	(1,10,170)	1,33,007	(80,075)
b)	Present value of obligation	3,90,419	(2,35,506)	2,61,237	(1,52,634)

25.5.5 Other disclosures:

25.5.5.1 Gratuity

(Amount in Rs.)

Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of obligations	29,64,508	17,35,800	8,95,110	1,84,470
Plan Assets	-	-	-	-
Surplus/ (Deficit)	(29,64,508)	(17,35,800)	(8,95,110)	(1,84,470)
Experience adjustments on plan liabilities- (Loss)/ Gain	2,89,123	58,811	(19,710)	-
Experience adjustments on plan assets- (Loss)/ Gain	-	-	-	-

25.5.5.2 Earned Leave

(Amount in Rs.)

Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of obligations	61,18,298	49,78,603	27,12,996	3,94,186
Plan Assets	-	-	-	-
Surplus/ (Deficit)	(61,18,298)	(49,78,603)	(27,12,996)	(3,94,186)
Experience adjustments on plan liabilities- (Loss)/ Gain	9,78,323	3,17,307	22,407	-
Experience adjustments on plan assets- (Loss)/ Gain	-	-	-	-

25.5.5.3 Half Pay Leave

(Amount in Rs.)

Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of obligations	24,47,566	19,86,233	11,93,552	1,80,984
Plan Assets	-	-	-	-
Surplus/ (Deficit)	(24,47,566)	(19,86,233)	(11,93,552)	(1,80,984)
Experience adjustments on plan liabilities- (Loss)/ Gain	5,20,397	3,81,866	54,037	-
Experience adjustments on plan assets- (Loss)/ Gain	-	-	-	-

25.5.5.4 PRMS

(Amount in Rs.)

Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present Value of obligations	9,63,557	6,26,437	2,96,400	91,582
Plan Assets	-	-	-	-
Surplus/ (Deficit)	(9,63,557)	(6,26,437)	(2,96,400)	(91,582)
Experience adjustments on plan liabilities- (Loss)/ Gain	93,894	(33,796)	22,159	-
Experience adjustments on plan assets- (Loss)/ Gain	-	-	-	-

25.6 Disclosure as per Accounting Standard (AS)-16 on 'Borrowing Costs'

Borrowing Costs capitalized during the year are Rs. 1,89,567/- (Previous Year Rs. Nil)

25.7 Disclosure as per Accounting Standard (AS)-17 on 'Segment Reporting'

Segment Information

25.7.1 Business Segments

The Company's principal business is Power trading. Other business includes providing consultancy, project management and supervision.

25.7.2 Segment revenue and expense

Revenue directly attributable to the segments is considered as 'Segment Revenue'. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as 'Segment Expenses'.

25.7.3 Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Segment liabilities include operating liabilities and provisions.

25.7.4 The operation of the company mainly carried out within the country and therefore there is no reportable geographical segment.

25.7.5 Segment Reporting

Particulars	Business Segments					
	Power Trading		Consultancy and Project Management		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Revenue						
Revenue from Operations	5,29,47,46,150	7,50,62,030	38,74,02,426	25,22,26,554	5,68,21,48,576	32,72,88,584
Unallocated Interest and Other Income					10,90,76,282	7,36,76,761
Total	5,29,47,46,150	7,50,62,030	38,74,02,426	25,22,26,554	5,79,12,24,858	40,09,65,345
Segment Result	3,51,14,329	(1,31,608)	32,33,78,112	18,49,57,093	35,84,92,441	18,48,25,485
Unallocated expenses, Interest and finance charges					14,28,83,469	13,93,07,864
Profit before tax					32,46,85,254	11,91,94,382
Provision for taxes					13,36,70,814	1,32,24,354
Profit after tax					19,10,14,440	10,59,70,028
Other Information:						
Segment Assets	2,62,40,93,469	13,00,55,311	1,87,70,16,287	1,40,72,62,739	4,50,11,09,756	1,53,73,18,050
Unallocated Assets					3,57,30,10,720	1,17,08,98,889
Total Assets					8,07,41,20,476	2,70,82,16,939
Segment Liabilities	2,69,27,65,494	12,79,80,548	2,46,77,72,001	1,27,08,42,201	5,16,05,37,495	1,39,88,22,749
Unallocated Liabilities					70,21,13,255	18,28,63,579
Total Liabilities					5,86,26,50,750	1,58,16,86,328
Depreciation and Amortisation	79,810	55,540	39,81,293	38,09,858	40,61,103	38,65,398
Unallocated Depreciation					3,27,113	-
Non-Cash Expenses other than depreciation			28,231	-	28,231	-
Capital Expenditure	-	2,52,000	42,50,725	13,81,045	42,50,725	16,33,045
Unallocated Capital Expenditure					60,32,40,611	-

25.8 Disclosure as per Accounting Standard (AS)-18 on 'Related Party Disclosures'

25.8.1 Related Parties:

25.8.1.1 Joint ventures:

Andhra Pradesh Solar Power Corporation Private Limited (APSPCPL)

Renewable Power Corporation of Kerala Limited (RPCKL)

Karnataka Solar Power Development Corporation Private Limited (KSPDCPL)

Lucknow Solar Power Development Corporation Limited (LSPDCL)

Rewa Ultra Mega Solar Limited (RUMSL)

25.8.1.2 Key Management Personnel (KMP):

Name	Designation
Dr. Ashvini Kumar	Managing Director
Shri Rakesh Kumar	Director (Power Systems)
Shri C. Kannan	Director (Finance)
Shri Rajeev Bhardwaj	Director (Human Resources)
Shri Shailesh Kumar Gupta	Company Secretary
Shri Rajendra Nimje	Managing Director*

* upto 11th December, 2014.

25.8.2 Remuneration to key management personnel for the year is Rs 1,87,13,539/- (Previous year: Rs. 2,09,26,044/-).

Managerial remuneration to KMP	Current Year (Rs.)	Previous Year (Rs.)
Shri Rajendra Nimje	-	24,60,360
Dr. Ashvini Kumar	38,61,607	37,32,942
Shri Rakesh Kumar	35,51,991	34,27,023
Shri C. Kannan	40,07,823	38,36,462
Shri Rajeev Bhardwaj	42,21,954	44,32,379
Shri Shailesh Kumar Gupta	30,70,164	30,36,878
Total	1,87,13,539	2,09,26,044

25.9 Disclosure as per Accounting Standard (AS)-19 on 'Leases'

The Company's significant leasing arrangements are in respect of operating leases of premises for office and for residential use of employees.

Leasing arrangements with respect to premises for residential use of employees, are not non-cancellable and are usually renewable on mutually agreed terms. Employee benefits expense include Rs. 68,51,640/- (Previous year Rs. 63,93,259/-) towards lease payments, net of recoveries, in respect of premises for residential use of employees.

Gross lease payments in respect of premises for offices amounting to Rs. 4,86,72,960/- (Previous year Rs. 4,86,72,960/-) [net lease payments of Rs. 4,60,96,134/- (Previous year Rs. 4,86,72,960/-) after adjusting amount capitalized/reversal of CENVAT credit] is included under Rent.

Future Minimum Lease Payments under non-cancellable operating lease in respect of office premises are as under:

(Amount in Rs.)

Particulars	As at 31.03.2016	As at 31.03.2015
Not later than one year	4,46,16,880	4,86,72,960
Later than one year and not later than five years	-	4,46,16,880
Later than five years	-	-
Total	4,46,16,880	9,32,89,840

The lease agreement in respect of office premises was signed for a period of 3 years w.e.f. 01.03.2014 with option of renewal of the lease for a further 2 terms of 3 years each with escalation clause of 15 % after expiry of every 3 years.

25.10 Disclosure as per Accounting Standard (AS)-20 on 'Earnings per Share (EPS)'

The elements considered for calculation of Earnings per Share (Basic and Diluted) are as under:

(Amount in Rs.)

Particulars	2015-16	2014-15
a. Net Profit available for Equity Shareholders	19,10,14,440	10,59,70,028
b. Number of Equity Shares used as denominator for calculation of EPS	12,99,135	7,82,868
c. Number of Equity Shares used as denominator for calculation of DEPS	12,99,135	7,86,186
d. Basic Earnings per Share of face value of Rs.1000/- each (previous year face value of Rs. 1000/-each)	147.03	135.36
e. Diluted Earnings per Share of face value of Rs.1000/- each (previous year face value of Rs. 1000/-each)	147.03	134.79

The details of reconciliation between the weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share for F.Y. 2014-15:

Particulars	2014-15
Number of Equity Shares used as denominator for calculation of EPS	7,82,868
Add: weighted average number of shares in respect of Share Application money pending allotment received for 86,500 shares on 18.03.2015	3,318
Number of Equity Shares used as denominator for calculation of DEPS	7,86,186

25.11 Disclosure as per Accounting Standard (AS)-22 on 'Accounting for taxes on Income'

(Amount in Rs.)

Deferred Tax Assets /(Liabilities) on Account of	As at 31.03.2016	As at 31.03.2015
Depreciation	(4,26,97,444)	Nil
Expenses allowed on payment basis u/s 43B of Income Tax Act, 1961	1,14,15,854	Nil
Application of funds claimed on account of capital advance u/s 11 of Income Tax Act, 1961 up to Financial Year 2014-15	(1,65,70,659)	Nil
Total	(4,78,52,249)	Nil

25.12 Disclosure as per Accounting Standard (AS)-27 on 'Financial Reporting of Interest in Joint Ventures'

Name of Joint Venture Company	Country of Incorporation	Proportion of Ownership Interest as at (excluding Share Application Money)	
		31-03-2016 (in %)	31-03-2015 (in %)
Andhra Pradesh Solar Power Corporation Private Limited	India	50.00	50.00
Renewable Power Corporation of Kerala Limited	India	50.00	0
Karnataka Solar Power Development Corporation Private Limited	India	50.00	0
Lucknow Solar Power Development corporation Limited	India	50.00	0
Rewa Ultra Mega Solar Limited	India	50.00	0

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2016 and income and expenses (each without elimination of the effect of transactions between the company & the joint venture entities) for the year in respect of joint venture entities based on audited accounts are given below#

(Amount in Rs.)

	Year ended 31.03.2016	Year ended 31.03.2015
A. Assets		
• Non-current assets	88,16,79,684	73,38,700
• Current assets	1,32,61,69,932	60,84,10,902
Total		
B. Liabilities		
• Non-current liabilities	22,900	Nil
• Current liabilities	1,06,23,26,715	12,47,751
Total		
C. Contingent liabilities	1,75,00,000	Nil
D. Capital commitments	Nil	Nil
E. Income	Nil	25,62,851
F. Expenses	Nil	13,67,140

The disclosure in respect of Joint Venture Renewable Power Corporation of Kerala Limited regarding Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2016 and income and expenses for the year has not been given due to the fact that the Joint Venture's first Accounting year will be for the period 15.01.2016 to 31.03.2017.

25.13 Disclosure as per Accounting Standard (AS)-28 on 'Impairment of Assets'

In the opinion of the management, there is no indication of any significant impairment of assets during the year. Thus, there is no impairment loss during the year.

25.14 Contingent Liabilities:

In respect of Company's booking with NBCC for commercial and residential space, as per the allotment letter dated 20.11.2013, NBCC has mentioned service tax in their payment schedule amounting to Rs. 3,50,96,520/- @12.36% on the 7 installments paid by the Company till 31.03.2016. However, the same has yet not been demanded by NBCC. The same shall be paid to NBCC at the applicable service tax rates as and when a demand for the same shall be raised by NBCC.

25.15 Capital and other Commitments:

25.15.1 Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 38,33,81,993/- (Previous Year Rs. 61,23,58,766/-).

25.15.2 Investments made in the shares of Joint Venture Companies viz. Lucknow Solar Power Development Corporation Limited and Rewa Ultra Mega Solar Limited is subject to lock-in-period of 5 years from the date of incorporation of the respective Joint Venture company during which period the Company cannot sell or transfer its shareholding in the Joint Venture company.

25.16 Information in respect of micro and small enterprises as at 31st March 2016 as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Amount (in Rs.)	
	31.03.2016	31.03.2015
a) Amount remaining unpaid to any supplier:	Nil	Nil
Principal amount	3,94,320	99,59,741
Interest due thereon	Nil	Nil
b) Amount of interest paid in terms of Section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day.	Nil	Nil
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	Nil	Nil
d) Amount of interest accrued and remaining unpaid	Nil	Nil
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	Nil	Nil

25.17 In line with the power sales agreement (PSA) signed on 22nd January 2016 with MP Power Management Company Limited (MPPMCL), an amount of Rs. 2,37,64,523/- has been realised from MPPMCL based on the average pool pricing of Rs. 2.79 / kWh against 85,17,750 kWh units sold during the period 01.04.2015 to 21.05.2015. The differential amount of Rs. 2,26,57,215/- (between Rs. 5.45 and Rs. 2.79) has been credited to 'Sale of Solar Power' and the same has been adjusted through Payment Security Fund (PSF) in line with the decision taken during the 5th meeting of the committee to remove difficulties in implementation of scheme for setting up 750 MW Grid connected Solar PV Project under JNNSM Phase-II, Batch-I held on 01.05.2015.

- 25.18** The Purchase of Solar Power in respect of 3 MW Delhi IPTS Secretariat Project has been booked for Rs. 24,18,739/- as per terms of PPA signed with the SPD. Pending finalization of PSA with the buyer i.e. CPWD on behalf of Delhi Secretariat, corresponding sale has been recognized for Rs. 24,18,739/- without considering the trading margin. The trading margin will be considered as and when the issue is sorted out.
- 25.19** The Purchase (for various projects in Rajasthan) and Sales of solar power are inclusive of Rs. 4,80,16,000/- for the period between 28.04.2015 to 15.01.2016 corresponding to the period prior to signing of Long Term Open Access agreement with CTU. As the scheduling of power could not be started for the corresponding period due to non-availability of long term open access, the matter has been taken up with Rajasthan Urja Vikas Nigam Limited (RUVNL) and settlement if any on subsequent date shall be debited to PSF. Trading margin has not been considered for the above transaction.
- 25.20** Revenue (success fees) of Rs. 1,08,00,000/- in respect of one of the SPDs under 2000 MW Scheme has not been recognized due to lack of reasonable certainty as the matter was referred to MNRE for seeking certain clarifications and MNRE vide their letter dated 19.07.2016 has clarified with certain compliances which is under examination by the company.
- 25.21** The company has requested MNRE for appointment of Independent Directors on the Board of the Company in accordance with the DPE guidelines & Companies Act, 2013 and the appointment is still pending. Pending the formation of remuneration committee consisting of Independent Directors, the company has made a provision of Rs. 1,64,00,000/- towards Ex-gratia & Performance related pay (PRP). The payment of the same shall be released on approval of the Competent Authority. The audit committee shall also be re-constituted on such appointment.
- 25.22** The company has commissioned its 10 MW Solar PV Project at Badi Sid, Bap village, Jodhpur District, Rajasthan on 31.03.2016 and the power flow has also started from 31.03.2016. Accordingly, the company has considered the Commercial Operation date as 31.03.2016.
- 25.23** In accordance with approval of the Board of Directors, surplus un-disbursed funds and grants available with the Company are placed periodically in short term deposits, taking into account the Government guidelines issued for the purpose.
- 25.24** In the opinion of the Board, all the assets other than Fixed Assets and Non-Current Investments, unless stated otherwise, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the books of accounts.
- 25.25** Some of the balances of trade/ other receivables / payables and loans and advances are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation /reconciliation of the same with the concerned parties, which in the opinion of the management will not have a material impact.
- 25.26** **Operating Cycle**
- Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization 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.

25.27 The Company was originally set up on 20th September, 2011, as a Not-for-profit company under the provisions of Section 25 of Companies Act, 1956 (presently, Section 8 of Companies Act, 2013). Subsequently company sent a proposal for conversion of the Company from Section 8 to Section 3 Company under Companies Act 2013 vide its letter dated 21st January, 2014 to the administrative ministry (MNRE). The Government of India conveyed its approval regarding conversion vide its letter no. 30/040/2011-12/NSM (Vol II) dated 15th July, 2015 so as to enable the Company to become a self-sustaining & self-generating organization; to work as a commercial organization & to take up development of all segments of Renewable energy viz. geo-thermal, off-shore wind, tidal etc., apart from Solar Energy. Thereafter company made an application on 19th October, 2015 for conversion of company to the Regional Director-North, Ministry of Corporate Affairs, New Delhi. The approval for conversion was granted vide Regional Director's order dated 4th November, 2015. The Registrar of Companies issued Certificate of Conversion on 9th November, 2015. As the company has started commercial operation of power trading activities and accordingly started billing for the same on commercial basis since beginning of the financial year. In view of the above, the Company has considered its functioning as commercial w.e.f. 1st April, 2015.

25.28 Other disclosures as per Schedule III of the Companies Act, 2013

Particulars	Current year (Rs.)	Previous year (Rs.)
<u>Value of Imports calculated on CIF basis</u>		
- Capital Goods	-	2,92,462
Total	-	2,92,462
<u>Expenditure in Foreign Currency</u>		
- Travelling Expenditure	16,03,888	7,84,455
- Training Expenses	-	1,27,731
Total	16,03,888	9,12,186

25.29 Previous year's figures have been rearranged or regrouped wherever necessary to make them comparable with the current year.

Sd/-
(S.K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C. Kannan)
Director (Finance)
DIN 06458185

For and Behalf of Board of Directors
Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

Signed in terms of our Audit Report of July 28, 2016

Place: New Delhi
Date: 28, July, 2016

For L.D. Saraogi & Co.
Chartered Accountants
FR NO. 005524N
Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(formerly known as Solar Energy Corporation of India)

F.Y. 2015-16

Form AOC -1

Pursuant to the first proviso to sub – section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amount in Rs.)

Sl. No	Particulars	Details
1.	Name of the Subsidiary	NA
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(formerly known as Solar Energy Corporation of India)

F.Y. 2015-16

Part "B": Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Ventures	Andhra Pradesh Solar Power Corporation Private Limited	Karnataka Solar Power Development Corporation Limited	Lucknow Solar Power Development Corporation Limited	Rewa Ultra Mega Solar Limited	Renewable Power Corporation of Kerala Limited
1. Latest audited Balance Sheet Date	31/03/2016	31/03/2016	31/03/2016	31/03/2016	N.A.
2. Shares of Joint Ventures held by the company on the year end	50%	50%	50%	50%	50%
Nos.	50,000	5,00,000	5,00,000	10,000	5,000
Amount of investment in Joint Venture	Rs. 5,00,000	Rs. 50,00,000	Rs. 50,00,000	Rs. 1,00,00,000	Rs. 50,00,000
Extend of Holding %	50%	50%	50%	50%	50%
3. Description of how there is significant influence	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture
4. Reason why the Joint Venture is not Consolidated	Not applicable	Not applicable	Not applicable	Not applicable	Since, the first Accounting year will be from the period 15th January,, 2016 to 31st March. 2017. Therefore, Joint Venture is not consolidated
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 225,10,00,000	Rs. 1,00,00,000	Rs. 1,00,00,000	Rs. 2,00,00,000	N.A
6. Profit/Loss for the year					

i. Considered in Consolidation	NIL	NIL	NIL	NIL	
ii. Not Considered in Consolidation					N.A

1. Names of associates or joint ventures which are yet to commence operations.

- (a) Andhra Pradesh Solar Power Corporation Private Limited
- (b) Karnataka Solar Power Development Corporation Limited
- (c) Lucknow Solar Power Development Corporation Limited
- (d) Rewa Ultra Mega Solar Limited
- (e) Renewable Power Corporation of Kerala Limited

2. Names of associates or joint ventures which have been liquidated or sold during the year.

Not Applicable

For and Behalf of Board of Directors

Sd/-
(S.K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C. Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

Signed in terms of our Audit Report of July 28, 2016

For L.D. Saraogi & Co.
Chartered Accountants
FR NO. 005524N

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2016
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	2	2,04,00,00,000
Reserves and Surplus	3	99,11,27,557
		3,03,11,27,557
Non-Current Liabilities		
Long Term Borrowings	4	24,63,20,000
Deferred Tax Liabilities (Net)		4,78,52,249
Other Long term liabilities	5	6,40,28,769
Long term provisions	6	1,39,39,570
		37,21,40,588
Current Liabilities		
Trade Payables	7	1,17,46,11,492
Other current liabilities	8	5,33,55,57,421
Short-term provisions	9	4,23,89,360
		6,55,25,58,273
TOTAL		9,95,58,26,418
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	10	61,64,29,924
Intangible assets	10	38,72,620
Capital work-in-progress	11	57,34,28,744
Non-current Investments	12	50,00,000
Long term loans and advances	13	99,11,81,939
Other non current assets	14	3,00,000
		2,19,02,13,227
Current assets		
Trade receivables	15	1,34,36,26,825
Cash and Bank Balances	16	5,05,22,67,201
Short-term loans and advances	17	5,87,70,344
Other current assets	18	1,31,09,48,821
		7,76,56,13,191
TOTAL		9,95,58,26,418
Significant Accounting Policies	1	
Notes to Accounts	2 - 26	

The Notes form an Integral Part of the Consolidated Financial Statements

For and Behalf of Board of Directors

Sd/-
(S.K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

In Terms of our Audit Report of Even Date

For L.D Saraogi & Company
Chartered Accountants
FR NO. 005524N

Place: New Delhi
Date: 28, July, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

	Particulars	Note No.	Year Ended 31.03.2016
	Revenue		
	Revenue from operations	19	5,73,90,27,485
	Other income	20	5,21,97,373
I	Total Revenue		5,79,12,24,858
	Expenses		
	Purchase of Solar Power		5,24,74,92,331
	Employee benefits expense	21	7,66,99,409
	Finance Costs	22	62,761
	Depreciation and amortization expense	23	43,88,216
	Subcontracting Expenses		31,09,571
	Other expenses	24	13,10,64,207
	Prior Period Items (Net)	25	37,23,109
II	Total Expenses		5,46,65,39,604
III	Profit before Exceptional and Extraordinary Items and Tax (I - II)		32,46,85,254
IV	Exceptional items		-
V	Profit before Extraordinary Items and Tax (III - IV)		32,46,85,254
VI	Extraordinary Items		-
VII	Profit before tax (V - VI)		32,46,85,254
VIII	Tax expense		
	(1) Current tax		8,58,18,565
	(2) Deferred tax		4,78,52,249
IX	Profit for the period (VII-VIII)		19,10,14,440
X	Earnings per equity share:		
	(1) Basic		147.03
	(2) Diluted		147.03
	Significant Accounting Policies	1	
	Notes to Accounts	2 - 26	

The Notes form an Integral Part of the Consolidated Financial Statements

For and Behalf of Board of Directors

Sd/-
(S.K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

In Terms of our Audit Report of Even Date

For L.D Saraogi & Company
Chartered Accountants
FR NO. 005524N

Place: New Delhi
Date: 28, July, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

Particulars	Year Ended 31.03.2016
Cash Flow from Operating Activities	
Net Profit Before Tax	32,46,85,254
Adjustments For:	
Add	
Depreciation and Amortisation	43,88,216
Loss on sale of asset	28,231
Interest Expense	62,761
Less	
Interest received	5,01,59,210
Profit on sale of asset	6,635
Operating Profit before Working Capital Changes	27,89,98,617
Changes in Working Capital	
Adjustments for operating assets:	
Less	
Increase in Trade Receivables	1,24,32,71,421
Increase in Short Term Loans and Advances	4,59,31,019
Increase in other Assets	1,19,33,06,789
Add	
Decrease in Long Term Loans and Advances	1,28,50,226
Adjustments for operating liabilities:	
Add	
Increase in Trade Payable	1,15,13,84,915
Increase in other Current Liabilities	3,78,86,62,600
Increase in Short Term Provisions	1,78,05,894
Increase in Long Term Provisions	(6,21,260)
Increase in other Long Term liabilities	77,25,128
Cash Inflow/Outflow from operations before Tax	2,77,42,96,891
Less: Advance Tax and TDS Recoverable	8,72,89,226
Net Cash Flow From Operating Activities	2,68,70,07,665
Cash Flow From Investing Activities	
Add	
Interest Income	5,01,59,210
Proceeds from sale of fixed assets	16,985
Less	
Increase in Fixed Assets/Capital work-in-progress	87,54,78,132
Advance Payment for Kidwai Nagar Building	25,38,02,162
Equity Investment in JCE	2,50,00,000
Increase in Long term Loans and Advances	37,500
Investment in Fixed Deposits	1,18,13,70,873
Net Cash Flow from Investing Activities	(2,28,55,12,472)
Cash Flow From Financing Activities	
Less	
Interest Expense	(2,52,328)
Add	
Proceeds from Issue of Equity Share Capital	94,00,00,000
Capital Grant	20,67,32,831
Proceeds from Term Loan from State Bank of India	24,63,20,000

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

Particulars	Year Ended 31.03.2016
Net Cash Flow from Financing Activities	1,39,28,00,503
Net (Decrease)/ Increase in cash and cash equivalents (A)	1,79,42,95,696
Cash and cash equivalents in the beginning of the year (B)	12,40,30,053
Cash and cash equivalents at the end of the year (A+B)	1,91,83,25,749
Reconciliation of Cash and Cash equivalents	
Balance with Banks in Savings Accounts	12,620
Balance with Banks in Current Accounts	1,91,83,13,129
Cash and cash equivalents at the end of the year	1,91,83,25,749
Significant Accounting Policies	1
Notes to Accounts	2 - 26

The Notes form an Integral Part of the Consolidated Financial Statements

For and Behalf of Board of Directors

Sd/-
(S.K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

In Terms of our Audit Report of Even Date

For L.D Saraogi & Company
Chartered Accountants
FR NO. 005524N

Place: New Delhi
Date: 28, July, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

Notes to the Consolidated Financial Statements for the Year ended 31st March, 2016

1. Significant Accounting Policies

1.1 Basis of preparation of Accounts:

These Consolidated financial statements have been prepared on accrual basis of accounting under historical cost convention to comply in all material aspects with generally accepted accounting principles in India, the provisions of the Companies Act, 2013 (to the extent notified and applicable), and the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 to the extent applicable.

The accounting policies have been consistently applied by the Group and are consistent with those used in previous year except for the change in accounting policy explained in Note 26.27 as adopted by one of the Joint Venture entities. Certain accounting policies have been reworded/re-classified for the purpose of better disclosure which has no impact on profits of the Group.

1.2 Principles of Consolidation:

The consolidated financial statements relate to Solar Energy Corporation of India Limited and its Jointly Controlled Entities (collectively referred to as “the Group”). The financial statements of the Jointly Controlled Entities used in the consolidation are drawn up to the same reporting date as of the Solar Energy Corporation of India Limited except for the financial statements of Renewable Power Corporation of Kerala Limited which have not been consolidated since the Joint Venture’s first Accounting year will be for the period 15.01.2016 to 31.03.2017. The consolidated financial statements have been prepared on the following basis:

- 1.2.1 The financial statements of the Solar Energy Corporation of India Limited and the joint ventures (on a proportionate basis) have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealized profits / losses in accordance with Accounting Standard – 27, “Financial Reporting of Interests in Joint Ventures”, prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 to the extent applicable.
- 1.2.2 As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and presented in the same manner as the Solar Energy Corporation of India Limited’s separate financial statements by regrouping, recasting or rearranging figures, wherever considered necessary. Material inter-group inconsistencies the effect of which cannot be quantified are as specified in Accounting Policy No. 1.11.9, 1.5.1.1 and 1.16.2.1.
- 1.2.3 The excess of cost to the Group of its investment in Jointly Controlled Entities, on the acquisition dates over and above the Group’s share of equity in the joint venture entities, is recognized as ‘Goodwill on Consolidation’ being an asset in the consolidated financial statements. On the other hand, where the share of equity in Jointly Controlled Entities as on the date of investment is in excess of cost of investments of the Group, it is recognized as ‘Capital Reserve’ and shown under the head ‘Reserves and Surplus’ in the consolidated financial statements.

- 1.2.4 In accordance with transitional provisions of AS -21, "Consolidated Financial Statements", F.Y. 2015-16 being the first occasion that consolidated financial statements are being presented, comparative figures for the previous period have not been presented.

1.3 Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized prospectively in the period(s) in which they materialize.

1.4 Fixed Assets

- 1.4.1 Tangible Assets are stated at historical cost less accumulated depreciation and impairment losses, if any.
- 1.4.2 Cost of acquisition is inclusive of purchase price, import duties and other non-refundable taxes or levies and any other directly attributable costs, interest during construction, duties, freight, installation and allocated incidental expenditure during construction/acquisition attributable to bringing the assets to their working condition for their intended use.
- 1.4.3 Intangible assets are stated at their cost of acquisition less accumulated amortization and impairment losses, if any.
- 1.4.4 In case of assets where final settlement of bills with contractors is yet to be effected but the asset is complete and ready to use, capitalization is done on provisional basis subject to necessary adjustments in the year of the final settlement.

1.5 Capital Work in progress

- 1.5.1 Capital work-in-progress is carried at cost. Cost of material consumed, erection charges thereon including depreciation on fixed assets in use incurred during construction along with other related expenses incurred for the projects are carried as part of "Expenditure during construction period" under the head - Capital work-in-progress till the date of capitalization, to be allocated on major assets on commissioning of projects.
- 1.5.1.1 Preliminary expenses, administration and other general overhead expenses are being transferred to "Expenditure during construction period" under the head - Capital work-in-progress till the date of capitalization by the jointly controlled entities.
- 1.5.2 Expenditure of corporate office and other administrative and general overheads, attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related assets.
- 1.5.3 Interest income on deposits earned during construction period is set off from the Capital work-in-progress.
- 1.5.4 In respect of supply-cum-erection contracts, the value of supplies received at site and accepted is treated as Capital work-in-progress.

1.6 Depreciation and Amortization

- 1.6.1 Depreciation on tangible assets of Power generating Units of the Group is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff.
- 1.6.2 Leasehold Land is amortized over the period of lease on a straight line basis.
- 1.6.3 Depreciation on assets other than the assets specified in Policy No. 1.6.1 and 1.6.2 is provided on straight line method following the useful life specified in the Schedule II of Companies Act, 2013.
- 1.6.4 Depreciation is computed on Intangible Assets on straight line basis in accordance with Accounting Standard 26 on Intangible Assets over the respective useful lives as adopted by the Solar Energy Corporation of India Limited and the Jointly Controlled Entities.
- 1.6.5 Depreciation/amortization is provided on pro rata basis from/up to the date on which the asset becomes available to use/is disposed off.
- 1.6.6 Depreciation on assets declared surplus/ obsolete is provided till the end of the month in which such declaration is made.
- 1.6.7 Assets costing Rs 5,000 or less are fully depreciated in the year of acquisition on account of materiality.

1.7 Grants

- 1.7.1 Central financial assistance / Grants related to expenditure on development of Solar Park or to purchase / acquire specified assets are treated as Capital Grant and deducted from the Solar Park Expenditure on development of Solar Park or on acquisition of fixed assets. Nominal value for identification of such assets (equivalent to 0.1% of the cost of Asset) has been accounted.
- 1.7.2 Central financial assistance / Grants as above are disclosed in the consolidated financial statements as Capital Grant under "Reserves and Surplus"/ "Other Current Liabilities as disclosed in the standalone financial statements of the respective Jointly Controlled Entity.

1.8 Investments

- 1.8.1 Long term Investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments.
- 1.8.2 Current investments are valued at lower of cost and fair value determined on an individual investment basis.

1.9 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

1.10 Inventories

Inventories are valued at lower of cost and estimated net realizable value.

1.11 Revenue and Expenditure Recognition

Revenue and expenses are accounted on the basis of accrual method of accounting except for certain incomes and expenses which are accounted on receipt/payment basis as disclosed below.

1.11.1 Purchase and Sale of Solar Power

Revenue from sale of power is recognized on the basis of terms and conditions of Power Sale Agreements (PSA) with the State Buying Utilities and as per rates agreed with the customers. The Units (KWh) are recognized on the basis of Joint Meter Reading / State Energy Accounting (JMR)/ (SEA) in case of Intra State power sale and Regional Energy Accounting (REA) in the case of Inter State transaction for raising of invoices to DISCOMS / Buying Utilities.

Purchase of energy is accounted for on the basis of Joint Meter Reading /State Energy Accounting/ Regional Energy Accounting (JMR/SEA/REA) as per the terms of Power Purchase Agreements (PPA) executed with Solar Power Developers (SPDs).

Purchase and Sales transaction are reconciled at regular intervals in order to reconcile with the units traded.

As per terms of PSAs, the surcharge on late payment leviable on DISCOMS for sale of energy is recognized on receipt basis and similarly as per terms of PPAs, the surcharge on late payment is accounted on the basis of recovery from the DISCOMS.

Any charges levied by Regional Load Dispatch Centre(RLDC)/ State Load Dispatch Centre(SLDC) / Central Transmission Utility (CTU)/ State Transmission Utility (STU) which have been received from respective agency during the year has been recovered/passed on to SPD's/DISCOM as applicable as per terms of PPAs / PSAs and such charges are being accounted for on receipt/ payment basis.

1.11.2 In accordance with the Government Guidelines regarding 750 MW Grid-connected Solar PV Power Projects under JNNSM Phase-II, Batch-I, the Payment Security Fund (PSF) has been set up in order to ensure timely payment to the developers. The money received from encashment of Bank Guarantees, interest earned on this fund, incentives for early payment, the extra money coming from 10% lower tariff to developers claiming Additional Depreciation and the grants from Government/NCEF will be used to build this fund. The amount received on account of above shall be credited directly to the PSF, as per the Guidelines.

In line with the decision taken by the Empowered Committee to remove difficulties in implementation of scheme for setting up 750 MW Grid-connected Solar PV Power Projects under JNNSM Phase-II, Batch-I during its Fifth Meeting held on 1st May 2015, the PSF is being utilized to meet the expenses which are not recoverable from the buying utilities on account of short term open access charges, UI Charges, energy charges not accounted by the buying utility in the home states on account of Inter-state scheduling of power etc. for the time being. Further, such expenses etc. can then be recouped out of earnings from sale of surplus power which will be available at Rs. 3 Kw/hr.

As per terms of PPA signed with various SPDs there are some cases in which tariff payable has been reduced below Rs 5.45/kWh. Any amount of reduction in purchase of solar power due to reduction in tariff is being directly credited to the PSF.

In case of short recovery of tariff from the buying utilities/DISCOMs based on average pool pricing due to policy/regulatory issues and transmission-evacuation/open access constraints etc., the differential payment to the developers from the agreed PPA rate is debited to PSF directly.

- 1.11.3 Any difference arising in units of sales and purchase of Power due to State Energy Accounting (SEA)/ Regional Energy Accounting (REA)/ Joint Meter Reading (JMR) is properly dealt with in the accounts. In case of excess of sold units over purchased units, the difference is credited to PSF. In case of excess of purchased units over bills raised to DISCOMs, the same is recovered from the SPDs.
- 1.11.4 Revenue from consultancy services is recognized proportionately with the degree of completion of services in line with the terms of respective consultancy contracts. In respect of cases where ultimate collection with reasonable certainty is lacking at the time of claim, recognition is postponed till collection is made.
- 1.11.5 Revenue recognition in case of Grid-connected Rooftop Projects

MNRE provides 3% of Central Financial Assistance (CFA) in respect of Rooftop Projects towards Publicity, Orientation, Awareness Programme, Workshops, Field Visits, Monitoring and Technical guidance etc.

Revenue from Project monitoring and Technical Guidance in respect of Rooftop Projects – Grid/Off Grid is recognized for on the basis of the following mentioned progress stages of projects:

Stage	% of Allocation	Cumulative % of Allocation
Allocation	1.50%	1.50%
Sanction	0.25%	1.75%
Commissioning	0.25%	2.00%
Operation & Maintenance - I Year	0.50%	2.50%
Operation & Maintenance - II Year	0.50%	3.00%
	3.00%	

The actual expenditure incurred towards Publicity, Orientation, Awareness Programme, Workshops and Field visits is deducted from the revenue recognized above and the net income is disclosed

The service charges received from the developer under Rooftop Projects in respect of the above are being recognized as income in the year in which the project capacity is sanctioned. The charges on the late payment of service charges are accounted on receipt basis.

- 1.11.6 Fund handling charges under various MNRE Schemes are recognized as income in proportion to funds disbursed as per sanction letter issued by MNRE.
- 1.11.7 The Success fee @0.2% of estimated capital cost in respect of the solar power project under 2000 MW State specific Scheme is being charged from the Solar Power Developers. 90% of 0.2% is recognized as income at the time of issuance of LOI based on the completion of various activities/services rendered as per technical estimates and balance 10% of 0.2% is recognized at the time of commissioning of Solar Power Projects
- 1.11.8 Revenue recognition under Construction Contracts

Contract Revenue represents the cost of work performed on the contract plus proportionate margin using the percentage of completion method. Percentage of completion is determined as a proportion of cost of work performed to date to the total estimated contract costs.

Project and construction related work in progress is reflected at cost till such time the outcome of the job cannot be ascertained reliably and at realizable value thereafter.

In case of contracts where the contract costs exceed the contract revenues, the anticipated loss is recognized immediately.

1.11.9 In respect of Solar Parks established/to be established by the Joint Venture Entities:

1.11.9.1 Revenue from upfront fee from Solar Power Developers is recognized over the lease period from the date on which the Solar park is ready for use in the case of Andhra Pradesh Solar Power Corporation Private Limited whereas the same is recognized after establishment of the Solar Power Project in the case of Karnataka Solar Power Development Corporation Private Limited;

1.11.9.2 Land Lease charges from Solar Power Developers and income from O & M (Operation and Maintenance) is recognized by the Andhra Pradesh Solar Power Corporation Private Limited when such income is assured and determinable under the terms of respective agreements whereas the same is recognized after establishment of the Solar Power Project in the case of Karnataka Solar Power Development Corporation Private Limited.

1.11.10 Escalation and extra works not provided for in the contract with client, claims arising out of arbitration awards and insurance claims are accounted for on receipt basis.

1.11.11 Liquidated damages arising from contractual obligations in respect of contracts under dispute/ negotiation and not considered payable/receivable are not accounted for till final settlement.

1.11.12 Prepaid expenses and prior period expenses/income of items of Rs. 100,000/- and below are charged to natural heads of accounts in the year of payment/receipt.

1.12 Taxes on Income

1.12.1 Provision for Current Income Tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961.

1.12.2 Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, and is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

1.13 Impairment of Assets

An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss account as an exceptional item in the year in which an asset is identified as impaired.

1.14 Foreign Currency Transactions

1.14.1 Initial Recognition

Foreign currency transactions are initially recorded at the rate of exchange prevailing on the date of transaction.

1.14.2 Conversion

Foreign Currency monetary items are translated with reference to the rates of exchange prevailing on the date of the Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of transaction and non-monetary items which are carried at fair value or similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

1.14.3 Exchange Difference

Exchange difference arising on settlement of monetary items or on reporting Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

1.15 Provision, Contingent Liabilities & Contingent Assets

A provision is recognized when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are neither recognized, nor disclosed in the financial statements.

1.16 Employees Benefits

Employee benefits, inter-alia include provident fund, pension, gratuity, leave benefits and post-retirement benefits.

- 1.16.1 Defined contribution plans - Group's contribution paid/payable during the year to Provident Fund and Pension Fund is recognized in the Statement of Profit and Loss on accrual basis.
- 1.16.2 Defined Benefit plans – Solar Energy Corporation of India Limited's liability towards gratuity, leave benefits, post-retirement benefits is determined on the basis of actuarial valuation at the end of financial year using the projected unit credit method in case of the Solar Energy Corporation of India Limited. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the year of its occurrence.
 - 1.16.2.1 In case of Karnataka Solar Power Development Corporation Private Limited, "Provision for Pension / Gratuity / Leave Contribution is based on actuarial valuation, the provision is made based on Basic pay, Dearness pay and Dearness allowance at Fixed percentage basis (Pension : 33.02%, Gratuity : 6.06%, Leave : 11%)".
- 1.16.3 Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.
- 1.16.4 Liability in respect of gratuity, leave encashment and provident fund of employees on deputation with the Solar Energy Corporation of India Limited are accounted for on the basis of terms and conditions of deputation of the parent organizations.

1.17 Leases

- 1.17.1 Assets acquired on lease where a significant portion of the risk and rewards of the ownership is retained by the Lessor are classified as Operating Lease. Lease Rentals are charged to revenue over the lease term on the basis of lease agreements. Initial Direct Costs are charged to the Statement of Profit and Loss in period in which the same are incurred.
- 1.17.2 Land Lease payments in respect of Solar Parks established by the Joint Venture Entities are considered as capital expenditure during initial period till the Solar Park is established and accordingly, the cost is accounted under Capital work-in-progress.

SOLAR ENERGY CORPORATION OF INDIA LIMITED
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 2: SHARE CAPITAL

Share Capital	As at 31.03.2016	
	Number	Amount
Authorised		
Equity Shares of Rs1000 each	2,00,00,000	20,00,00,00,000
Issued & Subscribed *		
Equity Shares of Rs1000 each	60,00,000	6,00,00,00,000
Fully paid up		
Equity Shares of Rs1000 each	20,40,000	2,04,00,00,000
Total	20,40,000	2,04,00,00,000

* The Subscribers to the Memorandum and Article of Association had undertaken to subscribe 60,00,000 Equity Shares of Rs. 1000 each out of which 20,40,000 Equity Shares of Rs. 1000 each have been subscribed and fully paid up.

A. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	2015-16	
	Number	Amount
Shares outstanding at the beginning of the year	10,33,500	1,03,35,00,000
Shares Issued during the year	10,06,500	1,00,65,00,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	20,40,000	2,04,00,00,000

B. The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them. (Refer Note 26.27 regarding restriction on declaration of dividends till F.Y. 2014-15 since the Company was registered under Section 25 of the Companies Act, 1956)

C. Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31.03.2016	
	No. of Shares held	% of Holding
President of India	20,40,000	100

D. In preceding five financial years immediately preceding 31.03.2016, Solar energy corporation of India Limited has not allotted any equity share as fully paid up pursuant to contract(s) without payment being received in cash/ not allotted any equity share as fully paid up by way of bonus share(s)/not bought back any shares.

SOLAR ENERGY CORPORATION OF INDIA LIMITED
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 3 : RESERVES & SURPLUS

Reserves & Surplus	Amount as at 31.03.2016
Surplus/ (Deficit) in the Statement of Profit & Loss	
Balance as at beginning of the year	65,30,611
Add: Profit/(Loss) for the year	19,10,14,440
Less : Transfer to Grant Account for previous year	(30,85,276)
Amount available for appropriations:	19,44,59,775
Less : Proposed Dividend [amount per share Rs.9.36/- (Previous Year Rs. NIL/-)]	(1,91,01,444)
Less : Tax on Proposed Dividend	(38,88,605)
Net Surplus/ (Deficit) in the Statement of Profit & Loss	17,14,69,726
Share of Jointly Controlled Entities (Refer Note 26.1)	
-representing capital grants	81,96,57,831
Total	99,11,27,557

NOTE 4 : LONG TERM BORROWINGS

Long Term Borrowings	Amount as at 31.03.2016
Secured	
Term Loan from State Bank of India (Interest- 9.30%p.a. (floating at Base Rate of SBI), Repayment starting from 30.06.2017 (after expiry of 1 year of moratorium period) in 56 equal quarterly instalments of Rs. 87.5 Lakhs each. Secured by hypothecation and mortgage by first charge on the fixed assets (moveable & immoveable), receivables and accounts, both present and future related to the 10MW Solar PV plant at Badi, Rajasthan of the company)	24,63,20,000
Total	24,63,20,000

The company has been sanctioned Non Fund Facility of Rs. 50 crore from HDFC Bank Limited against hypothecation of all present and future receivables.

The company has been sanctioned Non Fund Facility of Rs. 50 crore from SBI against hypothecation of all present and future current assets, securities and receivables.

NOTE 5 : OTHER LONG TERM LIABILITIES

Other Long term Liabilities	Amount as at 31.03.2016
Security Deposit	77,25,128
Capital Creditors	5,63,03,641
Total	6,40,28,769

NOTE 6 : LONG TERM PROVISIONS

Long Term Provisions	Amount as at 31.03.2016
Provisions for Earned Leaves	49,34,407
Provision for Half Pay Leaves	21,75,544
Provision for Gratuity	29,46,157
Provision for other Post Retirement Benefits	28,99,076
Provision for Post Retirement Medical Scheme	9,61,486
	1,39,16,670
Share of Jointly Controlled Entities (Refer Note 26.1)	22,900
Total	1,39,39,570

SOLAR ENERGY CORPORATION OF INDIA LIMITED
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 7 : TRADE PAYABLES

Trade Payables	Amount as at 31.03.2016
Trade Payables	1,17,46,11,492
Total	1,17,46,11,492

NOTE 8 : OTHER CURRENT LIABILITIES

Other Current Liabilities	Amount as at 31.03.2016
Subsidy for Disbursement	2,46,23,34,249
Grant received from MNRE	1,28,338
Advance from Clients	6,19,85,320
Duties & Taxes	51,84,639
Security Deposit	2,21,29,585
Purchase of Solar Power Payables	67,23,02,985
Payment Security Fund	84,13,65,856
Other Payable	20,83,93,298
	4,27,38,24,270
Share of Jointly Controlled Entities (Refer Note 26.1)	1,06,17,33,151
Total	5,33,55,57,421

NOTE 8.1 : PAYMENT SECURITY FUND

Payment Security Fund	Amount as at 31.03.2016
Balance as at beginning of the year	5,36,00,900
Addition during the year	83,62,39,402
Adjustments during the year	(4,84,74,446)
Balance as at the end of the year	84,13,65,856

NOTE 9 : SHORT TERM PROVISIONS

Short Term Provisions	Amount as at 31.03.2016
Provisions for Earned Leaves	11,83,891
Provision for Half Pay Leaves	2,72,022
Provision for Gratuity	18,351
Provision for Post Retirement Medical Scheme	2,071
Provision for Deputation Employee Benefits	11,93,165
Provision for Performance Related Pay	1,64,00,000
Proposed Dividend Payable	1,91,01,444
Provision for Corporate Dividend Tax Payable	38,88,605
	4,20,59,549
Share of Jointly Controlled Entities (Refer Note 26.1)	3,29,811
Total	4,23,89,360

SOLAR ENERGY CORPORATION OF INDIA LIMITED (Formerly known as Solar Energy Corporation of India)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

(Amount in Rs.)

Particulars	GROSS BLOCK AT COST			DEPRECIATION AND AMORTIZATION			NET BLOCK As at 31.3.2016	
	As at 01.04.2015	Additions	Sales / adjustment	Total as at 31.03.2016	As at 01.04.2015	Adjustment For The Year		Deduction during the year
TANGIBLE ASSETS								
Plant & Machinery	-	57,68,11,758	-	57,68,11,758	-	91,880		91,880
Leasehold Land	-	1,92,87,300	-	1,92,87,300	-	2,34,095		2,34,095
Building Computers Computer - End User Device Computer - Servers & Network	35,66,045 1,00,485	71,41,553 20,94,909	- (7,300)	71,41,553 56,53,654	- 19,281	1,138 12,88,709	(7,300)	1,138 32,37,118
Office Equipment	34,86,394	9,36,304	(81,940)	43,40,758	9,67,581	7,93,941	(57,088)	17,04,434
Furniture & Fixtures	7,49,924	2,66,060	(11,734)	10,04,250	1,19,599	87,424	(7,541)	1,99,482
Motor Vehicles	78,84,320	-	-	78,84,320	16,46,553	9,57,730	-	26,04,283
Tangible Assets	1,57,87,168	60,65,37,884	(1,00,974)	62,22,24,078	47,08,723	34,70,806	(71,929)	81,07,600
Share of Jointly Controlled Entities* (Refer Note 26.1)	64,24,661	30,29,68,580	-	30,93,93,241	7,276	2,45,250	-	30,70,79,795
(A) Total Tangible Assets	2,22,11,829	90,95,06,464	(1,00,974)	93,16,17,319	47,15,999	37,16,056	(71,929)	31,51,87,395
INTANGIBLE ASSETS								
-								
Computer Software	41,54,264	9,53,452	(15,977)	50,91,739	12,13,164	9,17,410	(6,441)	21,27,242
Intangible Assets	41,54,264	9,53,452	(15,977)	50,91,739	12,13,164	3,109	(6,441)	21,27,242
Share of Jointly Controlled Entities (Refer Note 26.1)	9,01,800.00	1,27,600	-	10,29,400	13,849	1,07,428	-	1,21,277
(B) Total Intangible Assets	50,56,064	10,81,052	(15,977)	61,21,139	12,27,013	10,24,838	(6,441)	22,48,519
Grand Total (A+B)	2,72,67,893	91,05,87,516	(1,16,951)	93,77,38,458	59,43,012	47,40,894	(78,370)	31,74,35,914
								62,03,02,544

* "Adjustment" with respect to share of Jointly Controlled Entities represents deduction of cost of specified assets from central financial assistance/grant.

SOLAR ENERGY CORPORATION OF INDIA LIMITED
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 11: CAPITAL WORK IN PROGRESS

Capital Work in Progress	Amount as at 31.03.2016
Expenditure pending allocation:	
Registration Charges	5,61,800
	5,61,800
Expenditure during construction period:	
Share of Jointly Controlled Entities (Refer Note 26.1)	57,28,66,944
Total	57,34,28,744

NOTE 12 : NON CURRENT INVESTMENTS

Non Current Investments	Amount as at 31.03.2016
Trade Investment in Equity Shares, fully paid up (Unquoted) (50% equity shares (5,000 shares of Face Value of Rs. 1000 each) in JCE - Renewable Power Corporation of Kerala Limited, valued at cost)	50,00,000
Total	50,00,000

NOTE 13 : LONG TERM LOANS & ADVANCES

Long Term Loans and Advances	Amount as at 31.03.2016
Secured, considered good	
Advance to Contractor	1,18,34,415
Unsecured, considered good	
Capital Advances	95,33,54,613
Security Deposits	1,05,200
Tax Credit	2,56,38,711
	99,09,32,939
Share of Jointly Controlled Entities (Refer Note 26.1)	2,49,000
Total	99,11,81,939

NOTE 14 : OTHER NON CURRENT ASSETS

Other non current assets	Amount as at 31.03.2016
Fixed Deposit Earmarked (Sales Tax Guarantee)	3,00,000
Total	3,00,000

NOTE 15: TRADE RECEIVABLES

Trade Receivables	Amount as at 31.03.2016
Trade receivables outstanding for a period less than six months from the date they are due for payment	
-Unsecured, considered good	1,34,15,17,446
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	
-Unsecured, considered good	21,09,379
Total	1,34,36,26,825

SOLAR ENERGY CORPORATION OF INDIA LIMITED
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 16 : CASH AND BANK BALANCES

Cash and Bank balances	Amount as at 31.03.2016
Cash and cash equivalents	
Balances with banks in :	
Current Accounts	1,25,04,05,691
Share of Jointly Controlled Entities (Refer Note 26.1)	66,79,20,058
	1,91,83,25,749
Other Bank Balances	
Fixed Deposit	2,55,88,83,497
Share of Jointly Controlled Entities (Refer Note 26.1)	57,50,57,955
	3,13,39,41,452
Total	5,05,22,67,201

NOTE 17 : SHORT TERM LOANS & ADVANCES

Short-term loans and advances	Amount as at 31.03.2016
Unsecured, considered good	
Loans and advances	
Staff Advance	3,91,983
Amount Recoverable	1,95,79,770
Prepaid Expenses	5,72,951
Security Deposits	1,62,24,320
Tax Credit	1,04,37,736
	4,72,06,760
Share of Jointly Controlled Entities (Refer Note 26.1)	1,15,63,584
Total	5,87,70,344

NOTE 18 : OTHER CURRENT ASSETS

Other Current Assets	Amount as at 31.03.2016
Interest Accrued but not due	6,78,30,972
Unbilled Revenue - Solar Power	1,14,75,34,302
Other Current Assets	2,39,92,961
	1,23,93,58,235
Share of Jointly Controlled Entities (Refer Note 26.1)	7,15,90,586
Total	1,31,09,48,821

NOTE 19: REVENUE FROM OPERATIONS

Revenue from Operations	Year Ended 31.03.2016
Sale of Solar Power	5,29,47,46,253
Consultancy and Project Monitoring Fees	38,74,02,426
Work Done Projects	35,28,248
Other Operating Income	5,33,50,558
Total	5,73,90,27,485

NOTE 20: OTHER INCOME

Other Income	Year Ended 31.03.2016
Interest Income	5,14,42,988
Other Non-operating income	7,54,385
Total	5,21,97,373

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

(Amount in Rs.)

NOTE 21: EMPLOYEE BENEFITS EXPENSE

Employee Benefits Expense	Year Ended 31.03.2016
Salaries, Wages, Allowances & Benefits	6,62,42,625
Contribution to Provident and Other Funds	96,38,361
Staff Welfare Expenses	8,18,423
Total	7,66,99,409

NOTE 22: FINANCE COSTS

Finance Costs	Year Ended 31.03.2016
Interest on Term Loan	62,761
Total	62,761

NOTE 23: DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation and Amortization Expense	Year Ended 31.03.2016
Depreciation on Tangible Assets	37,16,056
Amortization on Intangible Assets	10,24,838
	47,40,894
Less: Transferred to Capital Work-in-progress	3,52,678
Total	43,88,216

NOTE 24: OTHER EXPENSES

Other Expenses	Year Ended 31.03.2016
Rent	4,64,23,183
Repair & Maintenance of Building	54,87,052
Security & Manpower Expenses	95,78,955
Vehicle Running Expenses	26,82,254
Training & Recruitment Expenses	20,67,171
Travelling & Conveyance Expenses	1,07,32,579
Advertisement & Publicity	2,00,20,584
Communication Expenses	21,23,680
Water, Power & Electricity Charges	6,39,944
Legal & Professional Charges	42,98,691
Office Repair & Maintenance	19,27,520
Printing, Postage & Stationary	28,12,083
Meeting Expenses	18,10,743
License Fees	18,27,000
Bank Charges	57,502
Insurance Expenses	2,81,990
Professional Books & Journals	53,597
Loss on Asset Written Off	28,231
Sponsorship Expenses	78,49,238
Foundation Day Expenses	19,32,946
Support Service Charges	80,68,713
Miscellaneous Expenses	2,84,981
Auditor's Remuneration	
Audit Fees	68,700
For Reimbursement of Expenses	6,870
Total	13,10,64,207

NOTE 25: PRIOR PERIOD ITEMS (NET)

Prior Period Items (Net)	Year Ended 31.03.2016
Employee Benefits Expense	36,00,000
Miscellaneous Expense/(Income)	1,23,109
Total	37,23,109

26 Notes to Financial Statement:

26.1 The Company and its joint ventures (jointly referred to as the 'Group' herein under) considered in the consolidated financial statements are:

Name of Joint Venture Company	Country of Incorporation	Date of Incorporation	Proportion of Ownership Interest as at	
			31.03.2016 (in %)	31.03.2015 (in %)
Andhra Pradesh Solar Power Corporation Private Limited (APSPCPL)	India	26.11.2014	50.00	50.00
Karnataka Solar Power Development Corporation Private Limited (KSPDCPL)	India	12.03.2015*	50.00	0
Lucknow Solar Power Development Corporation Limited (LSPDCL)	India	21.07.2015*	50.00	0
Rewa Ultra Mega Solar Limited (RUMSL)	India	10.07.2015*	50.00	0

*The Joint Venture Entities have prepared their first financial statements for the year ended March 31, 2016.

The Group's share of each of the assets, liabilities etc. (after elimination of the effect of transactions between the Group and the Jointly Controlled Entities and after considering consolidation adjustments) related to its interest in Jointly Controlled Entities, based on the Audited financial statements are:

(Amount in Rs.)

Sl. No.	Particulars	As at 31.03.2016
1	ASSETS	
a)	Fixed assets	3,221,569
b)	Capital Work in Progress	57,28,66,944
c)	Long term loans and advances	249,000
d)	Cash and cash equivalents	66,79,20,058
e)	Other Bank Balances	57,50,57,955
f)	Short-term loans and advances	1,15,63,584
g)	Other Current Assets	7,15,90,586
2	LIABILITIES	
a)	Capital Grants	81,96,57,831
b)	Long term provisions	22,900
c)	Other current liabilities	1,06,17,33,151
d)	Short-term provisions	329,811

26.2 Disclosure as per Accounting Standard (AS)-3 on 'Cash Flow Statement'

Cash Flows Statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS-3), 'Cash Flow Statement'.

26.3 Disclosure as per Accounting Standard (AS)- 7 on 'Construction Contracts'

S. No.	Particulars	As at 31.03.2016
1	Contract revenue recognized as revenue in the Period	35,28,248
2	Gross amount due from customers for contract work—presented as an asset	Nil
3	Gross amount due to customers for contract work —presented as a liability	11,19,722

26.4 Disclosure as per Accounting Standard (AS) - 11 on 'Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

The amount of exchange differences (net) debited to the statement of profit & loss is Rs. 1,729/- (previous year credit of Rs. 382/- (net)).

26.5 Disclosure as per Accounting Standard (AS)- 15 on 'Employee Benefits'

General descriptions of various defined employee benefits are as under:

26.5.1 Defined Contribution Plans –:

26.5.1.1 Employer's contribution to Provident Fund:

The Group pays fixed contribution to provident fund at predetermined rates to Employees Provident Fund Organization. The amount recognized as expense (including administration charges) and charged to the Statement of Profit and Loss is as under:

(Amount in Rs.)

Particulars*	Year ended 31.03.2016
Amount paid to EPFO	43,51,796
Amount paid to the Parent organization for employees on deputation	6,11,606
Less: Transferred to Grant/capitalized	7,87,957
Amount recognized as expense in the Statement of Profit and Loss	41,75,445

* including Administration charges

26.5.1.2 Employer's contribution to Pension Scheme:

The defined contribution pension scheme of the Solar Energy Corporation of India Limited for its employees which is effective from 1st June 2012 has been approved by MNRE during the current year. As per the Scheme, company pays fixed contribution at predetermined rates to LIC. The contribution of Rs. 32,40,135/- to the LIC for the year has been recognized as expense and has been charged to the Statement of Profit and Loss Account.

26.5.2 Defined Benefit Plans – Solar Energy Corporation of India Limited

26.5.2.1 Gratuity:

The Solar Energy Corporation of India Limited has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs. 10 lakhs on superannuation, resignation, termination, disablement or on death. The liability towards gratuity has been provided on the basis of actuarial valuation. The liability is unfunded.

26.5.2.2 Earned Leave Encashment

The Solar Energy Corporation of India Limited has defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

26.5.2.3 Half Pay Leave Encashment

The Solar Energy Corporation of India Limited has defined benefit half pay leave encashment plan for its Employees. Under this plan they are entitled to encashment of half pay leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

26.5.2.4 Post-Retirement Medical Scheme (PRMS):

The Solar Energy Corporation of India Limited has formulated Post-Retirement Medical Scheme, under which retired employee and his/her spouse are provided medical facilities in the company hospitals/empanelled hospitals which is under the approval of MNRE, the Administrative Ministry. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability towards the Post-Retirement medical expenses has been provided on the basis of actuarial valuation (pending approval from MNRE). The liability is unfunded.

26.5.2.5 Post-Retirement Superannuation Benefits

DPE Guidelines on Revision of Pay Scales (Industrial DA Patterns) of employees include a provision for providing superannuation benefits up to 30% of Basic Pay & DA which include CPF, Gratuity, Post superannuation medical facilities and Pension. As per guidelines, the CPSEs are to make their own schemes in this regard. The Provision of balance remaining amount out of 30 % of Basic Pay & DA towards Post– Retirement Superannuation Benefits of Rs. 13,02,627/- and out of which Rs. 9,03,065/- have been transferred to respective grant/capitalized during the year. The liability is unfunded.

The Solar Energy Corporation of India Limited has provided for the following employee benefits under the aforementioned DPE guidelines, for employees other than employees on deputation:

(Amount in Rs.)

Sl. No.	Particulars	2015-16
1.	Defined Contribution Plan – Provident Fund	38,88,161
2.	Defined Contribution Plan – Pension	32,40,134
3.	Defined Benefit Plan- Gratuity	9,52,360
4.	Defined Benefit Plan – PRMS	3,37,120
5.	Post Retirement other benefits	13,02,627
	Basic +D.A. = 3,24,01,341/- X 30%	97,20,402

26.5.3 Key principal assumptions used for Actuarial Valuation in case of Solar Energy Corporation of India Limited are as under:

26.5.3.1 Economic Assumptions

Particulars	Earned Leave, Half Pay Leave, Gratuity and Post-Retirement Medical Benefits
	2015-16
i) Discounting Rate (%) per annum	8.00
ii) Future salary increase (%) per annum	6.00

26.5.3.2 Demographic Assumptions

i) Retirement Age (Years)	60
ii) Mortality Table	IALM (2006-08)
iii) Ages	Withdrawal
	Rate (%)
Up to 30 Years	3
From 31 to 44 years	2
Above 44 years	1

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

26.5.4 The summarized position of various defined benefits recognized in the Statement of Profit and Loss and Balance Sheet of the Solar Energy Corporation of India Limited are as under:

26.5.4.1 Change in present value of obligation (F.Y. 2015-16):

(Amount in Rs.)

Sl. No.	Particulars	Earned Leave	Half Pay Leave	PRMS	Gratuity
a)	Present value of obligation as at the beginning of the period	49,78,603	19,86,233	6,26,437	17,35,800
b)	Acquisition adjustment	94,407	9,938	--	2,76,348
c)	Interest cost	3,98,288	1,58,899	50,115	1,38,864
d)	Past service cost	--	--	--	--
e)	Current service cost	20,05,956	8,12,893	3,80,899	11,02,619
f)	Benefits paid	(3,80,633)	--	--	--
g)	Actuarial (gain)/ loss on obligation	(9,78,323)	(5,20,397)	(93,894)	(2,89,123)
h)	Present value of obligation as at the end of period	61,18,298	24,47,566	9,63,557	29,64,508

26.5.4.2 The amounts to be recognized in Balance Sheet and related analysis (F.Y. 2015-16):

(Amount in Rs.)

Sl. No.	Particulars	Earned Leave	Half Pay Leave	PRMS	Gratuity
a)	Present value of obligation as at the end of the period	61,18,298	24,47,566	9,63,557	29,64,508
b)	Fair value of plan assets as at the end of the period	--	--	--	--
c)	Funded status	(61,18,298)	(24,47,566)	(9,63,557)	(29,64,508)
d)	Net asset/ (liability) recognized in Balance Sheet	(61,18,298)	(24,47,566)	(9,63,557)	(29,64,508)

26.5.4.3 Expense recognized in the Statement of Profit and Loss (F.Y. 2015-16):

(Amount in Rs.)

Sl. No.	Particulars	Earned Leave	Half Pay Leave	PRMS	Gratuity
a)	Current service cost	20,05,956	8,12,893	3,80,899	11,02,619
b)	Past service cost	--	--	--	--
c)	Interest cost	3,98,288	1,58,899	50,115	1,38,864
d)	Expected return on plan assets	--	--	--	--
e)	Net actuarial (gain)/ loss recognized in the period	(9,78,323)	(5,20,397)	(93,894)	(2,89,123)
f)	Transferred to Grant	(61,953)	--	--	--
g)	Capitalized in Project	(2,87,819)	--	--	--
h)	Expenses recognized in the Statement of Profit and Loss	10,76,149	4,51,395	3,37,120	9,52,360

26.5.4.4 The effect of one percentage point increase/decrease in the medical cost of PRMS will be as under:

(Amount in Rs.)

Sl. No.	Particulars	2015-16	
		Increase by	Decrease by
a)	Service & Interest Cost	1,83,817	(1,10,170)
b)	Present value of obligation	3,90,419	(2,35,506)

Note: The disclosure under AS-15 on 'Employee Benefits' as above is limited to the disclosures made by the Solar Energy Corporation of India Limited since the relevant information and details with respect to the Joint Venture Entities are not available. The method used for actuarial valuation in case of Joint Venture Entities is also not available.

26.6 Disclosure as per Accounting Standard (AS)-16 on 'Borrowing Costs'

Borrowing Costs capitalized during the year are Rs. 4,34,633/-.

26.7 Disclosure as per Accounting Standard (AS)-17 on 'Segment Reporting'

Segment Information

26.7.1 Business Segments

The Group's principal business is Power trading. Other business includes providing consultancy, project management and supervision.

26.7.2 Segment revenue and expense

Revenue directly attributable to the segments is considered as 'Segment Revenue'. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as 'Segment Expenses'.

26.7.3 Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Segment liabilities include operating liabilities and provisions.

26.7.4 The operations of the Group are mainly carried out within the country and therefore there is no reportable geographical segment.

26.7.5 Segment Reporting for F.Y. 2015-16:

(Amount in Rs.)

Particulars	Business Segments		
	Power Trading	Consultancy and Project Management	Total
Segment Revenue			
Revenue from Operations	5,29,47,46,150	38,74,02,426	5,68,21,48,576
Unallocated Interest and Other Income			10,90,76,282
Total	5,29,47,46,150	38,74,02,426	5,79,12,24,858
Segment Result	3,51,14,329	32,33,78,112	35,84,92,441
Unallocated expenses, Interest and finance charges			14,28,83,469
Profit before tax			32,46,85,254
Provision for taxes			13,36,70,814
Profit after tax			19,10,14,440
Other Information:			
Segment Assets	2,62,40,93,469	1,87,70,16,287	4,50,11,09,756
Unallocated Assets			5,45,47,16,662
Total Assets			9,95,58,26,418
Segment Liabilities	2,69,27,65,494	2,46,77,72,001	5,16,05,37,495
Unallocated Liabilities			1,76,41,61,366
Total Liabilities			6,92,46,98,861
Depreciation and Amortization	79,810	39,81,293	40,61,103
Unallocated Depreciation	-	-	3,27,113
Non-Cash Expenses other than depreciation	-	28,231	28,231
Capital Expenditure	-	42,50,725	42,50,725
Unallocated Capital Expenditure			90,63,36,791

26.8 Disclosure as per Accounting Standard (AS)-18 on 'Related Party Disclosures'

26.8.1 List of Related Parties where control exists and related parties with whom transactions have taken place and relationships:

Sl. No.	Name of the Related Party	Relationship
1	Dr. Ashvini Kumar	KMP – Solar Energy Corporation of India Limited (Managing Director)
2	Shri Rakesh Kumar	KMP – Solar Energy Corporation of India Limited (Director (Power Systems))
3	Shri C. Kannan	KMP – Solar Energy Corporation of India Limited (Director (Finance))
4	Shri Rajeev Bhardwaj	KMP – Solar Energy Corporation of India Limited (Director (Human Resources))
5	Sh. Shailesh Kumar Gupta	KMP – Solar Energy Corporation of India Limited (Company Secretary)
6	Shri Gopalam Adiseshu*	KMP - APSPCPL (Chief Executive Officer)
7	Shri G. V. Balaram	KMP – KSPDCPL (Chairman)
8	Shri N. Suresh	KMP – KSPDCPL (Director)

*Managing Director at APSPCPL till February 2016 and thereafter designated as Chief Executive Office

26.8.2 Transactions during the year with related parties (excluding reimbursements):

Particulars	Current Year (Rs.)
(i) Managerial remuneration to KMP	
Dr. Ashvini Kumar	38,61,607
Shri Rakesh Kumar	35,51,991
Shri C. Kannan	40,07,823
Shri Rajeev Bhardwaj	42,21,954
Shri Shailesh Kumar Gupta	30,70,164
Shri Gopalam Adiseshu*	6,00,000
(ii) Sitting Fees	
Shri G. V. Balaram*	1,000
Shri N. Suresh	500

* to the extent not consolidated

26.9 Disclosure as per Accounting Standard (AS)-19 on 'Leases'

The Group's significant leasing arrangements are in respect of operating leases of premises for office and for residential use of employees.

Leasing arrangements with respect to premises for residential use of employees, are not non-cancellable and are usually renewable on mutually agreed terms. Employee benefits expense include Rs. 68,51,640/- towards lease payments, net of recoveries, in respect of premises for residential use of employees. This information pertains only to the Solar Energy Corporation of India Limited since information with respect to the Joint Venture Entities is not available.

Gross lease payments in respect of premises for offices amounting to Rs. 5,14,32,511/- [net lease payments of Rs. 4,60,96,134/- after adjusting amount capitalized/reversal of CENVAT credit] is included under Rent.

The future minimum lease payments in respect of the lease of office premises of the Solar Energy Corporation of India Limited are disclosed as under (this information is not available for the Joint Venture Entities):

(Amount in Rs.)

Particulars	As at 31.03.2016
Not later than one year	4,46,16,880
Later than one year and not later than five years	-
Later than five years	-
Total	4,46,16,880

The lease agreement in respect of office premises of the Solar Energy Corporation of India Limited (this information is not available for the Joint Venture Entities) was signed for a period of 3 years w.e.f. 01.03.2014 with option of renewal of the lease for a further 2 terms of 3 years each with escalation clause of 15 % after expiry of every 3 years.

26.10 Disclosure as per Accounting Standard (AS)-20 on 'Earnings per Share (EPS)'

The elements considered for calculation of Earnings per Share (Basic and Diluted) are as under:

(Amount in Rs.)

Particulars	2015-16
a. Net Profit available for Equity Shareholders	19,10,14,440
b. Number of Equity Shares used as denominator for calculation of EPS	12,99,135
c. Number of Equity Shares used as denominator for calculation of DEPS	12,99,135
d. Basic Earnings per Share of face value of Rs.1000/- each	147.03
e. Diluted Earnings per Share of face value of Rs.1000/- each	147.03

26.11 Disclosure as per Accounting Standard (AS)-22 on 'Accounting for Taxes on Income':

(Amount in Rs.)

Deferred Tax Assets /(Liabilities) on Account of	As at 31.03.2016
Depreciation	(4,26,97,444)
Expenses allowed on payment basis u/s 43B of Income Tax Act, 1961	1,14,15,854
Application of funds claimed on account of capital advance u/s 11 of Income Tax Act, 1961 up to Financial Year 2014-15	(1,65,70,659)
Total	(4,78,52,249)

26.12 Disclosure as per Accounting Standard (AS)-28 on 'Impairment of Assets'

In the opinion of the management, there is no indication of any significant impairment of assets during the year. Thus, there is no impairment loss during the year.

26.13 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Jointly controlled entities.

As on March 31, 2016

Name of the Enterprise	Net Assets (Total Assets – Total Liabilities)		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (in Rs.)	As % of Consolidated Profit or Loss	Amount (in Rs.)
Parent				
Solar Energy Corporation of India Ltd.	72.28%	2,19,07,43,723	100.00%	19,10,14,440
Jointly Controlled Entities				
1 Andhra Pradesh Solar Power Co. Pvt. Ltd.	27.06%	82,01,20,080	-	-
2 Rewa Ultra Mega Solar Limited	0.33%	10,000,000	-	-
3 Lucknow Solar Power Development Corporation Ltd.	0.17%	5,263,754	-	-
4 Karnataka Solar Power Development Corporation Ltd.	0.16%	5,000,000	-	-

26.14 Contingent Liabilities:

26.14.1 In respect of Solar Energy Corporation of India Limited's booking with NBCC for commercial and residential space, as per the allotment letter dated 20.11.2013, NBCC has charged service tax amounting to Rs. 3,50,96,520/- @12.36% on the 7 installments paid by the Company till 31.03.2016. However, the same has yet not been demanded by NBCC. The same shall be paid to NBCC at the applicable service tax rates as and when a demand for the same shall be raised by NBCC.

26.14.2 Share of Contingent Liabilities of Joint Venture Entities – Rs. 1,75,00,000/- in respect of Bank Guarantees provided by the Joint Venture Entities

26.15 Capital and other Commitments:

26.15.1 Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 38,33,81,993/-.

26.15.2 Investments made by the Solar Energy Corporation of India Limited in the shares of Joint Venture Companies viz. Lucknow Solar Power Development Corporation Limited and Rewa Ultra Mega Solar Limited is subject to lock-in-period of 5 years from the date of incorporation of the respective Joint Venture company during which period the Company cannot sell or transfer its shareholding in the Joint Venture company.

26.15.3 Share of Capital Commitments of Joint Venture Entities - NIL

26.16 Information in respect of micro and small enterprises as at 31st March 2016 as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Amount (in Rs.)
	31.03.2016
a) Amount remaining unpaid to any supplier:	Nil
Principal amount	3,94,320
Interest due thereon	Nil
b) Amount of interest paid in terms of Section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day.	Nil
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	Nil
d) Amount of interest accrued and remaining unpaid	Nil
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	Nil

26.17 In line with the power sales agreement(PSA) signed on 22nd January 2016 by the Solar Energy Corporation of India Limited with MP Power Management Company Limited (MPPMCL), an amount of Rs. 2,37,64,523/- has been realised from MPPMCL based on the average pool pricing of Rs. 2.79 / kWh against 85,17,750 kWh units sold during the period 01.04.2015 to 21.05.2015. The differential amount of Rs. 2,26,57,215/- (between Rs. 5.45 and Rs. 2.79) has been credited to 'Sale of Solar Power' and the same has been adjusted through Payment Security Fund (PSF) in line with the decision taken during the 5th meeting of the committee to remove difficulties in implementation of scheme for setting up 750 MW Grid connected Solar PV Project under JNNSM Phase-II, Batch-I held on 01.05.2015.

26.18 The Purchase of Solar Power in respect of 3 MW Delhi IPTS Secretariat Project has been booked by the Solar Energy Corporation of India Limited for Rs. 24,18,739/- as per terms of PPA signed with the SPD. Pending finalization of PSA with the buyer i.e. CPWD on behalf of Delhi Secretariat, corresponding sale has been recognized for Rs. 24,18,739/- without considering the trading margin. The trading margin will be considered as and when the issue is sorted out.

26.19 The Purchase (for various projects in Rajasthan) and Sales of solar power by the Solar Energy Corporation of India Limited are inclusive of Rs. 4,80,16,000/- for the period between 28.04.2015 to 15.01.2016 corresponding to the period prior to signing of Long Term Open Access agreement with CTU. As the scheduling of power could not be started for the corresponding period due to non-availability of long term open access, the matter has been taken up with Rajasthan Urja Vikas Nigam Limited (RUVNL) and settlement if any on subsequent date shall be debited to PSF. Trading margin has not been considered for the above transaction.

- 26.20** Revenue (success fees) of Rs. 1,08,00,000/- in respect of one of the SPDs under 2000 MW Scheme has not been recognized due to lack of reasonable certainty as the matter was referred to MNRE for seeking certain clarifications and MNRE vide their letter dated 19.07.2016 has clarified with certain compliances which is under examination by the company.
- 26.21** The company has requested MNRE for appointment of Independent Directors on the Board of the Company in accordance with the DPE guidelines & Companies Act, 2013 and the appointment is still pending. Pending the formation of remuneration committee consisting of Independent Directors, the company has made a provision of Rs.1,64,00,000/- towards Ex-gratia & Performance related pay (PRP). The payment of the same shall be released on approval of the Competent Authority. The audit committee shall also be re-constituted on such appointment.
- 26.22** The company has commissioned its 10 MW Solar PV Project at Badi Sid, Bap village, Jodhpur District, Rajasthan on 31.03.2016 and the power flow has also started from 31.03.2016. Accordingly, the company has considered the Commercial Operation date as 31.03.2016.
- 26.23** In accordance with approval of the Board of Directors, surplus un-disbursed funds and grants available with the Group are placed periodically in short term deposits, taking into account the Government guidelines issued for the purpose.
- 26.24** In the opinion of the Board, all the assets other than Fixed Assets and Non-Current Investments, unless stated otherwise, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the books of accounts.
- 26.25** Some of the balances of trade/ other receivables / payables and loans and advances are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation /reconciliation of the same with the concerned parties, which in the opinion of the management will not have a material impact.
- 26.26** **Operating Cycle**
- Based on the nature of activities of the Group and the normal time between acquisition of assets and their realization 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.
- 26.27** The Solar Energy Corporation of India Limited was originally set up on 20th September, 2011, as a Not-for-profit company under the provisions of Section 25 of Companies Act, 1956 (presently, Section 8 of Companies Act, 2013). Subsequently company sent a proposal for conversion of the Company from Section 8 to Section 3 Company under Companies Act 2013 vide its letter dated 21st January, 2014 to the administrative ministry (MNRE). The Government of India conveyed its approval regarding conversion vide its letter no. 30/040/2011-12/NSM (Vol II) dated 15th July, 2015 so as to enable the Company to become a self-sustaining & self-generating organization; to work as a commercial organization & to take up development of all segments of Renewable energy viz. geo-thermal, off-shore wind, tidal etc., apart from Solar Energy. Thereafter company made an application on 19th October, 2015 for conversion of company to the Regional Director-North, Ministry of Corporate Affairs, New Delhi. The approval for conversion was granted vide Regional Director's order dated 4th November, 2015. The Registrar of Companies issued Certificate of Conversion on 9th November, 2015. As the company has started commercial operation of power trading activities and accordingly started billing for the same on commercial basis since beginning of the financial year. In view of the above, the Company has considered its functioning as commercial w.e.f. 1st April, 2015.

- 26.28** Andhra Pradesh Solar Power Corporation Private Limited and Lucknow Solar Power Development Corporation Limited have not prepared Statement of Profit and Loss for F.Y. 2015-16 since these Companies have not commenced their commercial operations during the year and all expenses incurred during the year have been capitalized.
- 26.29** Change in Accounting Policy: During the F.Y. 2014-15, Capital Grants were shown under “Current Liabilities” by Andhra Pradesh Solar Power Corporation Private Limited as the Company had not commenced its activities at full scale. Hence Grants/Central Financial Assistance from SECI (Solar Energy Corporation of India) under MNRE (Ministry of New & Renewable Energy) Scheme related to expenditure on the development of solar park or to purchase/acquire specific fixed assets were treated as Capital Grant and deducted from the Solar Park expenditure on development of Solar Park or on acquisition of fixed assets. From the F.Y. 2015-16, it was decided to disclose Grant/Central Financial Assistance as “Capital Grants” and the Fixed Assets that were acquired/purchased by utilizing the capital grants as “Fixed Assets acquired out of Capital Grant” at full value in Fixed Assets Schedule. Depreciation shall not be charged on the above assets.
- 26.30** The State Government of Andhra Pradesh handed over Lands through GOs to NREDCAP/NREDCAP and in turn handed over the same to Andhra Pradesh Solar Power Corporation Private Limited for development of Solar Parks. Lease rentals shall be payable by the Company to the State Government from the date of handing over of the Lands. The Company has requested the State Government to waive the Lease Rentals during the period of Development stage as the Company does not have any O & M income during such period of Solar Park development. Pending approval from State Government, no provision for Lease Rentals is made in the Books of account of the Group.

26.31 Other disclosures as per Schedule III of the Companies Act, 2013

Particulars	2015-16 (Rs.)
<u>Expenditure in Foreign Currency</u>	
- Travelling Expenditure	16,03,888
Total	16,03,888

Sd/-
(S.K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C. Kannan)
Director (Finance)
DIN 06458185

For and Behalf of Board of Directors
Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

Signed in terms of our Audit Report of July 28, 2016

For L.D. Saraogi & Co.
Chartered Accountants
FR NO. 005524N

Place: New Delhi
Date: 28, July, 2016

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(formerly known as Solar Energy Corporation of India)

F.Y. 2015-16

Form AOC -1

Pursuant to the first proviso to sub – section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amount in Rs.)

Sl. No	Particulars	Details
1.	Name of the Subsidiary	NA
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(formerly known as Solar Energy Corporation of India)

F.Y. 2015-16

Part "B": Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Ventures	Andhra Pradesh Solar Power Corporation Private Limited	Karnataka Solar Power Development Corporation Limited	Lucknow Solar Power Development Corporation Limited	Rewa Ultra Mega Solar Limited	Renewable Power Corporation of Kerala Limited
1. Latest audited Balance Sheet Date	31/03/2016	31/03/2016	31/03/2016	31/03/2016	N.A.
2. Shares of Joint Ventures held by the company on the year end	50%	50%	50%	50%	50%
Nos.	50,000	5,00,000	5,00,000	10,000	5,000
Amount of investment in Joint Venture	Rs. 5,00,000	Rs. 50,00,000	Rs. 50,00,000	Rs. 1,00,00,000	Rs. 50,00,000
Extend of Holding %	50%	50%	50%	50%	50%
3. Description of how there is significant influence	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture	Control of more than 20% of total share capital in the joint venture
4. Reason why the Joint Venture is not Consolidated	Not applicable	Not applicable	Not applicable	Not applicable	Since, the first Accounting year will be from the period 15th January,, 2016 to 31st March. 2017. Therefore, Joint Venture is not consolidated
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 225,10,00,000	Rs. 1,00,00,000	Rs. 1,00,00,000	Rs. 2,00,00,000	N.A

6. Profit/Loss for the year					
i. Considered in Consolidation	NIL	NIL	NIL	NIL	
ii. Not Considered in Consolidation					N.A

1. Names of associates or joint ventures which are yet to commence operations.

- (a) Andhra Pradesh Solar Power Corporation Private Limited
- (b) Karnataka Solar Power Development Corporation Limited
- (c) Lucknow Solar Power Development Corporation Limited
- (d) Rewa Ultra Mega Solar Limited
- (e) Renewable Power Corporation of Kerala Limited

2. Names of associates or joint ventures which have been liquidated or sold during the year.

Not Applicable

For and Behalf of Board of Directors

Sd/-
(S.K. Gupta)
Company Secretary
Membership No. 10840

Sd/-
(C. Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Dr. Ashvini Kumar)
Managing Director
DIN 03547234

Signed in terms of our Audit Report of July 28, 2016

For L.D. Saraogi & Co.
Chartered Accountants
FR NO. 005524N

Sd/-
(Jitender Saraogi)
Partner
Membership No. 502337

Details of Bankers, Auditors, Company Secretary & Corporate Office Address of Solar Energy Corporation of India Ltd.

Bankers :

Axis Bank Limited

Canara Bank

HDFC Bank

ICICI Bank

Indusind Bank Limited

State Bank of India

Union Bank of India

Statutory Auditor :

L. D. Saraogi & Co

(Chartered Accountants)

101-104, Basant Complex,

38, Veer Savarkar Block, Shakarpur,

Delhi-110092

Company Secretary :

Shri Shailesh Kumar Gupta

Corporate Office

D-3, 1st Floor, Wing-A,

Religare Building, District Center,

Saket, New Delhi,

Delhi-110017