

Southern Energy Development Corporation Limited
Balance Sheet as on year ended March 31, 2019
(in Indian Rupees)

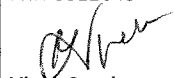
Particulars		Note No.	As at 31.03.2019	As at 31.03.2018
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	1	3,45,83,128	7,36,82,168
	(b) Capital work-in-progress	1	-	57,551
	(c) Other Intangible assets		-	-
	(d) Financial Assets			
	(i) Investments	2	1,00,50,45,989	85,08,66,331
	(ii) Other Financial Assets	3	86,250	85,250
	(e) Deferred tax assets (net)	4	2,68,80,034	1,90,59,908
	(f) Other non-current assets	5	1,52,97,052	1,38,97,052
	Total Non - Current Assets		1,08,18,92,453	95,76,48,260
2	Current assets			
	(a) Inventories	6	36,10,608	44,34,538
	(b) Financial Assets			
	(i) Investments	2	1,52,15,505	2,56,98,280
	(ii) Trade receivables	7	2,28,25,336	2,57,91,032
	(iii) Cash and cash equivalents	8	7,77,423	28,13,343
	(iv) Other Financial assets	9	40,000	45,000
	(c) Other current assets	10	17,00,765	16,02,720
	Total Current Assets		4,41,69,637	6,03,84,913
	Total Assets (1+2)		1,12,60,62,090	1,01,80,33,173
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Share capital	11	46,00,080	46,00,080
	(b) Other Equity excluding non-controlling interests	11a	1,11,02,60,271	1,00,44,67,265
	Total equity attributable to owners of the Company		1,11,48,60,351	1,00,90,67,345
	LIABILITIES			
2	Non-current liabilities			
	(a) Provisions	12	24,26,878	2,84,661
	Total Non - Current Liabilities		24,26,878	2,84,661
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	13	76,08,166	72,51,506
	(b) Provisions	14	10,52,139	13,19,540
	(c) Other current liabilities	15	1,14,556	1,10,121
	Total Current Liabilities		87,74,861	86,81,167
	Total Equity and Liabilities (1+2+3)		1,12,60,62,090	1,01,80,33,173

The accompanying notes form an integral part of the Financial Statements

For Jagannathan & Sarabeswaran

Chartered Accountants

FRN 0012045



Vivek Sarabeswaran

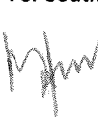
Partner

Membership No: 206383

Place : Chennai

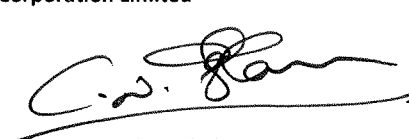
Date: 12/04/2019

For Southern Energy Development Corporation Limited



M. Muthiah

Director



Jagannathan Chakravarthi Narasimhan

Director



Southern Energy Development Corporation Limited
Statement of Profit and Loss for the period ended March 31, 2019
(in Indian Rupees)

Particulars	Note No.	FY 2018-19	FY 2017-18
Revenues			
I Revenue from operations	16	18,74,40,534	23,89,66,649
II Other Income	17	81,53,036	74,68,211
III Total Revenue (I + II)		19,55,93,570	24,64,34,860
Expenses			
(a) Cost of materials consumed		8,77,58,437	8,94,31,835
(b) Employee benefits expense	18	1,19,27,436	1,10,85,548
(c) Depreciation and amortisation expense	1	4,14,97,662	4,10,98,316
(d) Other expenses	19	3,06,60,420	3,36,26,512
IV Total Expenses		17,18,43,955	17,52,42,211
V Profit/(loss) before tax (III- IV)		2,37,49,615	7,11,92,649
VI Tax Expense			
(1) Current tax	20	1,22,00,000	2,52,00,000
(2) Deferred tax	20	(78,20,126)	(46,96,573)
Total tax expense		43,79,874	2,05,03,427
VII Profit/(loss) for the period (V - VI)		1,93,69,741	5,06,89,222
VIII Other comprehensive income		15,29,70,945	13,93,93,694
(i) Items that will not be recycled to profit or loss		-	-
(a) Remeasurements of the defined benefit (liabilities) / asset		(12,08,713)	31,913
(b) Equity instruments through other comprehensive income		15,41,79,658	13,93,61,781
(ii) Income tax relating to items that will not be reclassified to profit or loss			
IX Total comprehensive income for the period (VII+VIII)		17,23,40,686	19,00,82,916

The accompanying notes form an integral part of the Financial Statements

For Jagannathan & Sarabeswaran

Chartered Accountants

FRN 001204S



Vivek Sarabeswaran

Partner

Membership No: 206383

Place : Chennai

Date: 12/04/2019

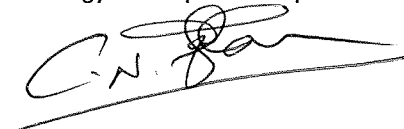


For Southern Energy Development Corporation Limited



M. Muthiah

Director



Jagannathan Chakravarthi Narasimhan

Director

Southern Energy Development Corporation Limited
Cash flow statement for the year ended March 31, 2019
(in Indian Rupees)

Particulars	FY 2018-19		FY 2017-18	
A. Cash flow from operating activities				
Net Profit before tax and extraordinary items		2,37,49,615		7,11,92,649
Depreciation	4,14,97,662		4,10,98,316	
Interest and finance charges	-		-	
Interest and dividend received	(81,53,036)		(15,60,754)	
		3,33,44,626		3,95,37,562
Operating Profit before working capital changes		5,70,94,241		11,07,30,211
Adjustments for :				
Long Term Loans & Advances	(1,000)		40,366	
Short Term Loans & Advances	(93,045)		4,04,429	
Trade Receivables	29,65,696		14,89,331	
Trade payables	(1,81,515)		(5,40,578)	
Inventories	8,23,931		53,055	
		35,14,067		14,46,602
Cash generated from Operations		6,06,08,308		11,21,76,813
Direct taxes paid	(1,36,00,000)		(2,96,00,000)	
Net cash flow from operating activities after extraordinary items		4,70,08,308		8,25,76,813
B. Cash Flow from Investing activities				
Purchase & re-investment of Mutual Funds	(7,57,77,488)		(13,77,25,471)	
Sale of Fixed Assets	-		-	
Sale of Investments	8,75,60,962		15,93,58,376	
Purchase of Fixed assets	(24,33,058)		(4,15,544)	
Interest and Dividend received	81,53,036		15,60,754	
Net cash from / (used in) in investing activities		1,75,03,452		2,27,78,116
C. Cash flow from financing activities				
Repayments of borrowings	-		-	
Proceeds of borrowings	-		-	
Interest & Finance charges	-		-	
Dividend paid including dividend distribution tax	(6,65,47,680)		(10,51,94,414)	
Net cash from / (used in) financing activities		(6,65,47,680)		(10,51,94,414)
Net increase/ (decrease) in cash & cash equivalents (A + B + C)		(20,35,920)		1,60,515
Opening balance of cash and cash equivalents	28,13,343		26,52,828	
Closing balance of cash and cash equivalents	7,77,423		28,13,343	
Net increase/ (decrease) in cash & cash equivalents		(20,35,920)		1,60,515

The accompanying notes form an integral part of the Financial Statements

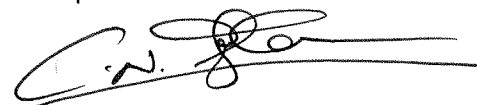
For Jagannathan & Sarabeswaran
Chartered Accountants
FRN 001204S

Vivek Sarabeswaran
Partner
Membership No : 206383



For Southern Energy Development Corporation Limited


M. Muthiah
Director


Jagannathan Chakravarthi Narasimhan
Director

Place : Chennai
Date : 12/04/2019

SOUTHERN ENERGY DEVELOPMENT CORPORATION LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2019

A. Corporate Information

Southern Energy Development Corporation Limited (SEDCO), subsidiary of M/s. Carborundum Universal Limited, commenced its operation in 1999. The prime objective of the company is to meet the energy requirements of Murugappa Group companies. The company is currently operating a 5 MW, Natural Gas based power plant located at Nallur, Mannargudi (Taluk). The company is procuring Natural Gas from ONGC and generating power for captive use by various industrial units of its investors by wheeling the generated power to TANGEDCO's Grid.

B. Significant accounting policies

(i) Basis on preparation and presentation of financial statements

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as prescribed by the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III of the Companies Act, 2013 ("the Act").

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transactions between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use as in Ind AS 36.

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

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



SOUTHERN ENERGY DEVELOPMENT CORPORATION LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2019

ii. Property, plant and equipment and the depreciation / impairment

Property, plant and equipment are valued at historical cost inclusive of freight, duties and taxes and all directly attributable expenses related to acquisition, installation, and commissioning. Borrowing costs are capitalized as part of qualifying fixed assets till the date are put into use. All other borrowing costs are charged to revenue.

All tangible assets are fully depreciated during the period of the ONGC gas supply agreement that is valid till 31st December 2019.

iii. Intangible assets and amortization

Intangible assets (computer software) acquired separately are carried at cost less accumulated depreciation / amortization. Amortization / depreciation is recognized on a straight-line basis over their estimated useful life as determined under Schedule II of the Companies Act 2013.

iv. Financial instruments – Financial assets and financial liabilities

A financial instrument being a financial asset or a financial liability is recognized only when the company has become party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Any subsequent changes in fair value of a financial asset or liability are recognized in the profit and loss account.

Unconditional trade receivables and payables are recognized as assets or liabilities when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash. Unconditional trade receivables are measured at their transaction price. No lifetime expected credit losses are recognized as entire receivables pertain to billing on group companies and are recovered in entirety.

Investments held for trading are subsequently measured at fair value through the profit and loss account. Financial liabilities are recognized initially at fair value and subsequently measured at amortized cost.

v. Non - Current assets - Investments

Investment in the equity shares of the holding company have been recognized at cost, and subsequent changes in the fair value have been irrevocably recognized in other comprehensive income. Dividends on investments in shares of Holding company are recognized in the profit and loss account.



SOUTHERN ENERGY DEVELOPMENT CORPORATION LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2019

vi. Inventories

Inventories of consumable stores and engineering spares are valued at lower of cost and net realizable value. Cost includes all costs of purchase, duties and other taxes, transport, handling and other costs net of trade discounts and rebates. In respect of consumable stores and engineering spares, cost is determined using the weighted average method. Net realizable value represents the estimated selling price less all estimated cost of completion and cost necessary to make the sale.

vii. Revenue recognition

Energy sales is accounted in accordance with Ind AS 115, which represents performance obligation of electricity generated and wheeled into the TANGEDCO grid and corresponding credit for wheeled power is transferred by TANGEDCO to our customers in their monthly electricity bills. The Company in turn, raises invoices on a monthly basis to respective customers in line with credit given by TANGEDCO.

Interest income is accounted on accrual basis and dividend income is accounted for when the right to receive the payment is established.

viii. Provisions

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

ix. Post-employment benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

The liability for retirement benefit of gratuity to employees as at the Balance Sheet date is determined using the Projected Unit Credit method and is funded to a Gratuity fund administered by the Trustees and managed by SBI Life Insurance Company Limited. The unfunded portion of the liability for gratuity is provided for in the accounts. The actuarial gain or loss is recognized in Other Comprehensive Income (OCI).

x. Foreign currency transactions & balances

Transactions in Foreign currencies are accounted for in rupee terms at the relevant applicable exchange rates on the date of transaction. Foreign currency monetary items are translated using the closing rate and the resultant gain/loss, if any, is recognized in the profit and loss account.

xi. Income taxes

Current tax for current period and prior periods, if any is determined on income for the year chargeable to tax in accordance with Income Tax Act, 1961. Current and deferred tax are

SOUTHERN ENERGY DEVELOPMENT CORPORATION LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2019

recognized as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognized, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity.

A deferred tax liability shall be recognized for all taxable temporary differences. Deferred tax assets have been recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

Current tax liabilities or assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

xii. Earnings per share

Basic earnings per share is calculated by dividing net profit after tax for the year attributable to equity shareholders of the company by the weighted average number of equity shares issued.

Diluted Earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares & dilutive potential equity shares during the year.

xiii. Contingent liabilities

Contingent liabilities are disclosed for:

- Possible obligation which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.



Property, plant and equipment

Note No 1

Carrying Cost of:						As at	As at
						31.3.2019	31.3.2018
Freehold land						13,39,715	13,39,715
Buildings						1,15,03,965	1,15,03,965
Plant and equipment						18,29,77,968	18,27,44,083
Furniture and fittings						4,88,880	3,80,458
Vehicles						-	-
Vehicle under finance lease						-	-
Capital work-in-progress						19,63,10,528	19,59,68,221
						-	57,551
						19,63,10,528	19,60,25,772

Carrying Cost	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Vehicle under finance lease	Total
Balance at March 31, 2018	13,39,715	1,15,03,965	18,27,44,083	3,80,459	-	-	19,59,68,221
Additions	-	-	21,29,389	3,03,669	-	-	24,33,058
Disposals	-	-	18,95,504	1,95,247	-	-	20,90,751
Acquisition through business combination	-	-	-	-	-	-	-
Balance at March 31, 2019	13,39,715	1,15,03,965	18,29,77,968	4,88,881	-	-	19,63,10,528

Accumulated Depreciation	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Vehicle under finance lease	Total
Balance at March 31, 2018	-	72,18,805	11,49,34,196	1,33,051	-	-	12,22,86,052
Additions	-	24,21,021	3,88,28,903	2,47,738	-	-	4,14,97,662
Disposals	-	-	18,61,068	1,95,247	-	-	20,56,315
Acquisition through business combination	-	-	-	-	-	-	-
Balance at March 31, 2019	-	96,39,826	15,56,24,167	1,85,542	-	-	16,58,40,029

Capital work in progress movement	
Balance at March 31, 2018	57,551
Addition during the year	23,75,507
Capitalised during the year	(24,33,058)
Balance at March 31, 2019	-

Written Down Value	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Vehicles	Vehicle under finance lease	Total
Carrying amount							
Balance at March 31, 2018	13,39,715	42,85,160	6,78,09,887	2,47,407	-	-	7,36,82,169
Additions	-	-	20,94,951	3,03,669	-	-	23,98,620
Disposals	-	-	18,95,504	1,95,247	-	-	20,90,751
Depreciation expense	-	(24,21,021)	(4,07,24,407)	(4,42,985)	-	-	(4,35,88,413)
Balance at March 31, 2019	13,39,715	18,64,139	3,10,75,935	3,03,339	-	-	3,45,83,128

Other Intangible assets

Carrying amounts of :		As at	
		31.3.2019	31.03.2018
Trademark		-	-
Software		-	-
Technical Know-how		-	-
Intangible assets under development		-	-

Cost or deemed cost	Trademark	Software	Technical know how	Total
Balance at March 31, 2018	-	77,825	-	77,825
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at March 31, 2019	-	77,825	-	77,825

Accumulated depreciation and impairment	Trade mark	Software	Technical know how	Total
Balance at March 31, 2018	-	77,825	-	77,825
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at March 31, 2019	-	77,825	-	77,825

Significant intangible assets

The Company does not hold any intangible assets that materially affect the business operations of the company.



Non-current investments

Note No 2

	Quantities in nos.		Nominal value	Value	
	As at 31.03.2019	As at 31.03.2018		As at 31.03.2019	As at 31.03.2018
Quoted (Trade)					
(a) Investments in equity instruments					
Equity Shares (fully paid)					
Instruments at FVTOCI					
Carborundum Universal Limited *	24,49,240	24,49,240	1	1,00,50,45,659	85,08,66,001
Unquoted (Trade)					
(b) Investments in other equity instruments					
Equity Shares (fully paid)					
Instruments at FVTOCI	-	-	-	-	-
Instruments at FVTPL	-	-	-	-	-
Ciria India limited	1	1	330	330	330
Total				1,00,50,45,989	85,08,66,331

Category-wise other investments

	As at	
	31.03.2019	31.03.2019
Financial assets carried at fair value through profit or loss (FVTPL)		
Mandatorily measured at FVTPL(quoted equity shares)	330	330
Financial assets designated at FVTOCI(Equity instruments)	1,00,50,45,659	85,08,66,001
Investments at cost(includes investment in associates, subsidiaries and joint ventures)	-	-
Total	1,00,50,45,989	85,08,66,331

Note:

* Shares purchased before becoming a subsidiary of Carborundum Universal Ltd.

No voting rights are exercisable in respect of these shares (Sec 19(1) (c) of The Companies Act,2013)

Current Investments

	Quantities in nos.		Nominal value	Value	
	As at 31.03.2019	As at 31.03.2018		As at 31.03.2019	As at 31.03.2018
Quoted (Non-Trade)					
(a) Investments in Mutual Funds					
Instruments at FVTPL					
UTI Liquid Cash Plan - Direct Daily Dividend Plan Reinvestment	14,935	-		1,52,15,505	-
UTI - Treasury Advantage fund Institutional plan - Direct plan - daily dividend re-investment	-	25,638		-	2,56,98,280
Total				1,52,15,505	2,56,98,280



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

Other Financial Assets - Non Current

Note No 3

Particulars		
	As at 31.03.2019	As at 31.03.2018
Security Deposits		
- Secured, considered good	-	-
- Unsecured, considered good	86,250	85,250
- Doubtful	-	-
Less : Allowance for bad and doubtful deposits	-	-
TOTAL	86,250	85,250



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Deferred tax balance

Note No 4

Particulars			As at	
			31.03.2019	31.03.2018
Deferred tax assets			2,68,80,034	1,90,59,908
Deferred tax liabilities			-	-

FY 2018-19

Breakup of deferred tax asset/ liabilities	Opening balance	Recognised in profit & loss	Recognised in OCI	Closing Balance
Depreciation-Project-II Only	1,90,59,908	78,20,126	-	2,68,80,034

FY 2017-18

Breakup of deferred tax asset/ liabilities	Opening balance	Recognised in profit & loss	Recognised in OCI	Closing Balance
Depreciation-Project-II Only	1,43,63,335	46,96,573	-	1,90,59,908



Southern Energy Development Corporation Limited

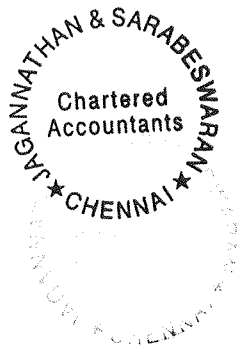
Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

Other non-current and current assets

Note No 5

Particulars		
	As at 31.03.2019	As at 31.03.2018
Advance income tax Unsecured, considered good	1,52,97,052	1,38,97,052
TOTAL	1,52,97,052	1,38,97,052



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Inventories

Note No 6

Particulars	As at 31.03.2019	As at 31.03.2018
Stores and spares	36,10,608	44,34,538
Total Inventories *	36,10,608	44,34,538
*at the lower of cost and net realisable value		



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Note No 7

Receivables

The general average credit period on sale of energy is 7 days and the dues are usually realized within the credit period. So no interest is charged on trade receivables.

No expected credit losses since the supply of energy is to Murugappa group companies and there has been no credit loss in the past.

Expected credit loss

Expected credit loss (%)

Within the credit period	0%
1-30 days past due	0%
31-60 days past due	0%
61-90 days past due	0%
90-180 days past due	0%
181-365 days past due	0%
More than 365 days past due	0%

Age of receivables	As at	
	31.03.2019	31.03.2018
Within credit period (not due)	2,28,25,336	2,57,91,032
1-90 days past due	-	-
91-180 days past due	-	-
181-270 days past due	-	-
271-365 days past due	-	-
More than 365 days past due	-	-

Movement in the expected credit loss allowance	As at	
	31.03.2019	31.03.2018
Balance at the beginning of the year	-	-
Movement in the expected credit loss allowance on trade receivables calculated at life time expected credit losses	-	-
	-	-

Trade receivables

Particulars	As at	
	31.03.2019	31.03.2018
	Current	Current
Trade Receivables :		
(a) Considered good	2,28,25,336	2,57,91,032
(b) Doubtful	-	-
	2,28,25,336	2,57,91,032
Less: Allowance for Credit Losses	-	-
TOTAL	2,28,25,336	2,57,91,032

Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

*To be read with Note 29



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Cash and Bank Balances

Note No 8

Particulars		
	As at 31.03.2019	As at 31.03.2018
Current Cash and bank balances		
(a) Unrestricted Balances with banks		
(i) In Current Account	7,71,762	28,03,615
(b) Cash in hand	5,661	9,728
Total Cash and cash equivalents	7,77,423	28,13,343

During the year, the company has not entered into any non-cash transactions on investing & financing activities.



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Other Financial Assets - Current

Note No 9

Particulars		
	As at 31.03.2019	As at 31.03.2018
a) Loans and advances to employees - Festival Advances	40,000	45,000
b) Other Loans and Advances		
- Unsecured, considered good	-	-
TOTAL	40,000	45,000
<i>*Refer Note No 29 for additional disclosures</i>		



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Other current assets

Note No 10

Particulars		
	As at 31.03.2019	As at 31.03.2018
Prepayments	17,00,765	16,02,720
TOTAL	17,00,765	16,02,720



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Note No 11

Share Capital	As at 31.03.2019	As at 31.03.2018
Authorised		
1,250,000 (Previous Year - 1,250,000) equity shares of Rs. 10 each	1,25,00,000	1,25,00,000
600,000 (Previous year - 600,000) - 13% redeemable cumulative preference shares @ Rs.100 each	6,00,00,000	6,00,00,000
	7,25,00,000	7,25,00,000
Issued capital		
1,200,040 (Previous year 1,200,040) - equity shares of Rs 10 each	1,20,00,400	1,20,00,400
600,000 (Previous year 600,000) 13% redeemable cumulative preference shares @ Rs 100 each	6,00,00,000	6,00,00,000
	7,20,00,400	7,20,00,400
Subscribed and paid-up		
460,008 shares of Re. 10 each fully paid (Previous year 460,008 of Rs.10 each fully paid) 40,032 shares of Rs 10 each have been bought back at a price of Rs 545 per share from the share holders pursuant to the offer for buy-back of shares made during the FY 2008-09. Of this, the holding company M/s Carborundum Universal Ltd holds 389,908 shares - (Previous year 389,908)	46,00,080	46,00,080

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.3.2019		As at 31.3.2018	
	No of Shares	Value of Shares in Rs.	No of Shares	Value of Shares in Rs.
Equity shares with voting rights				
Total of equity shares	4,60,008	46,00,080	4,60,008	46,00,080

Interim dividend of Rs 5,52,00,960 paid during FY 2018-19 (FY 2017-18 - Rs 8,74,01,520)

Details of shareholders holding more than 5% of the aggregate share capital in the company

Name of shareholders	As at 31.3.2019		As at 31.3.2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Carborundum Universal Ltd	3,89,904	84.76%	3,89,904	84.76%
Tube Investments of India Ltd	70,000	15.22%	70,000	15.22%
Others	104	0.02%	104	0.02%
Total	4,60,008	100.00%	4,60,008	100.00%

Additional information	FY 2012 - 2019
a) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash	NIL
b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and	NIL
c) Aggregate number and class of shares bought back	NIL



Southern Energy Development Corporation Limited
Statement of changes in equity for the year ended March 31, 2019
(in Indian Rupees)

Note No 11a		
Particulars	As at 31.03.2019	As at 31.03.2018
Reserves and Surplus		
Capital Reserve		
Fixed assets revaluation reserve	-	-
Capital subsidy	-	-
Profit on Forfeiture of Shares / Warrants	-	-
Capital redemption reserve	6,04,00,320	6,04,00,320
Securities premium	-	-
Other Reserves		
General reserve	4,39,07,430	4,39,07,430
Debenture redemption reserve	-	-
Other reserve	-	-
Total	10,43,07,750	10,43,07,750
Surplus in Statement of Profit and Loss		
Opening Balance	6,77,85,275	12,22,58,553
Add : Profits for the current year	1,93,69,741	5,06,89,221
Add : Other comprehensive income - adjustment	-12,08,713	31,914
Less : Transfer to General reserve	-	-
Less : Transfer to Debenture redemption reserve	-	-
Less : Final dividend	-	-1,38,00,240
Less : Final dividend tax	-	-28,09,404
Less : Interim dividend	-5,52,00,960	-7,36,01,280
Less : Dividend tax on interim dividend	-1,13,46,720	-1,49,83,490
Less : Proposed final dividend	-	-
Less : Dividend tax on proposed final dividend	-	-
Total	1,93,98,623	6,77,85,275
Other Comprehensive income		
Equity Instrument through Other Comprehensive income	98,65,53,898	83,23,74,240
	98,65,53,898	83,23,74,240
Grand Total	1,11,02,60,271	1,00,44,67,265



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

Non-Current Liabilities - Provisions

Note No 12

Particulars	As at 31.03.2019	As at 31.03.2018
Gratuity Liability	24,26,878	2,84,662



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March
2019
(in Indian Rupees)

Trade Payables - Current

Note No 13

Particulars	As at 31.03.2019	As at 31.03.2018
Acceptances	-	-
Other than acceptances	50,71,319	41,38,343
Other Accruals	6,43,802	5,82,420
Employee Benefits Expenses		
Gratuity	43,900	10,57,259
Leave Fare Assistance	2,56,252	2,23,267
Provident Fund	77,374	90,977
Incentive	15,15,519	11,59,241
Total trade payables	76,08,166	72,51,507



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Provisions - Current

Note No 14

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits		
Long-term Employee Benefits	10,52,139	13,19,540
Other Provisions	-	-
Total Provisions	10,52,139	13,19,540



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

Other Current Liabilities

Note No 15

Particulars	As at 31.03.2019	As at 31.03.2018
Others		
- Statutory liabilities	1,14,556	1,10,121
TOTAL OTHER LIABILITIES	1,14,556	1,10,121



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Revenue from Operations

Note No 16

Particulars	FY 2018-19	FY 2017-18
(a) Revenue from sale of energy	18,72,47,784	23,88,04,431
(b) Other operating income - Sale of Scrap	1,92,750	1,62,218
Total Revenue from Operations	18,74,40,534	23,89,66,649



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Other Income

Note No 17

Particulars	FY 2018-19	FY 2017-18
Dividend Income from long term investments	67,35,510	42,86,170
Dividend Income from Current Investments	14,12,959	27,25,416
Interest income from banks	300	-
Other Income		
Profit on sale of Fixed Assets	-	21,665
Profit on sale of Investments (net)	4,267	-
Miscellaneous income	-	4,34,960
Total Other Income	81,53,036	74,68,211



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

Employee Benefits Expense

Note No 18

Particulars	FY 2018-19	FY 2017-18
Salaries and wages, including bonus	91,19,817	88,94,085
Contribution to provident and other funds	17,60,216	17,28,668
Staff welfare expenses	10,47,403	4,62,795
Total Employee Benefits Expense	1,19,27,436	1,10,85,548



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Other Expenses

Note No 19

Particulars	FY 2018-19	FY 2017-18
Consumption of stores and spares	1,06,27,742	74,37,041
Rates and taxes	5,79,061	6,72,297
Insurance	9,21,489	10,28,314
Repairs to :		
- Buildings	23,06,556	1,26,847
- Machinery	10,78,317	1,47,39,361
- Others	50,17,691	28,484
Data Processing Charges	1,21,232	-
Auditors' remuneration	1,41,600	1,23,900
Travel and Conveyance	12,53,231	14,76,126
Freight, delivery and shipping charges	55,602	60,484
Advertisement and publicity	16,288	51,771
Printing, stationery and communication	79,780	45,572
Corporate social responsibilities	11,41,186	-
Professional fees	66,60,535	55,34,155
Service outsourced	-	10,25,931
Loss on sale of Fixed assets	34,436	-
Miscellaneous expenses	6,25,672	12,76,231
Total Other Expenses	3,06,60,420	3,36,26,512



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Income tax recognised in profit or loss

Note No 20

	Year ended	
	31.03.2019	31.03.2018
Current tax		
In respect of the current year	1,22,00,000	2,52,00,000
In respect of the prior year	-	-
Other (describe)	-	-
	1,22,00,000	2,52,00,000
Deferred tax		
In respect of the current year	(78,20,126)	(46,96,573)
Adjustment to deferred tax attributable to changes in tax rates and laws	-	-
	(78,20,126)	(46,96,573)
Total income tax recognised in the current year	43,79,874	2,05,03,427

Income tax reconciliation

Profit before tax	2,37,49,615	7,11,92,648
Tax expenses reported during the year	43,79,874	2,05,03,427
Income tax expenses calculated at 27.82% and 27.553% respectively	66,07,143	1,96,15,354
Difference	(22,27,269)	8,88,073
Dividend income (Net of 14A allowance)	(22,66,904)	(17,57,371)
Deduction under 80 IC		
Chapter VI-A Deduction 80G	139	6,544
Depreciation on leasehold building /Building revaluation		
Effect of changes in tax rate from 27.553% in FY 17-18 to 27.82% in F.Y. 18-19	1,99,318	32,36,996
Others - Corporate Social Responsibility	3,17,617	1,92,658
Others - Depreciation on Project I assets (permanent diff)	(7,53,446)	(8,13,315)
Others - 43B adjustments	-	-
Others	2,76,006	22,562
Adjustment recognised in the current year in relation to the current year of prior years	(22,27,269)	8,88,073
Income tax expenses recognised in profit or loss (relating to continuing operations)		
The corporate tax rate including surcharge and education cess payable in India on taxable profits under the Indian tax laws	27.553%	27.553%

Income tax recognised in other comprehensive income

Deferred tax		
Arising on income and expenses recognised in other comprehensive income		
Re measurement of defined benefit obligation	-	-
Net gain on designated portion of hedging instruments in cash flow hedges	-	-
Bifurcation of the income tax recognised in other comprehensive income into		
Items that will not reclassified to profit or loss	-	-
Items that may be reclassified to profit or loss	-	-

Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Related party disclosures

Note No 21

Related party relationships as identified by the Management and relied upon by Auditors

Holding company

Carborundum Universal Ltd.

Subidiaries of holding company

- a. CUMI America Inc., USA
- b. Net Access India Ltd.
- c. Sterling Abrasives Ltd
- d. CUMI Australia Pty Ltd., Australia
- e. CUMI International Limited, Cyprus
- f. CUMI Middle East FZE, Ras Al Khaimah, UAE
- g. OAO Volzhsky Abrasives Works, Russia
- h. Foskor Zirconia (Pty) Ltd, South Africa
- i. CUMI Abrasives & Ceramics Company Limited
- j. Thukela Refractories Isithebe (Pty) Ltd
- k. CUMI Europe S.R.O

Joint Ventures of holding company

- a. Murugappa Morgan Thermal Ceramics Ltd
- b. Ciria India Ltd.

Associate of holding company

- a. Wendt (India) Ltd
- b. Wendt Grinding Technologies Limited, Thailand
- c. Wendt (Middle East) FZE

Transactions with related party - Holding Company

Particulars	During the year ended 31.03.2019	During the year ended 31.03.2018
Income from energy sales	14,31,18,444	18,52,63,748
Dividend income	67,35,410	42,86,170
Dividend paid	4,67,88,960	7,40,82,520
Management Fees	28,32,000	28,32,000
Creditors	2,43,576	2,30,214
Debtors	1,31,63,725	1,56,74,506

Transactions with related party - Net Access India Ltd.

Particulars	During the year ended 31.03.2019	During the year ended 31.03.2018
EDP Service Charges	-	6,785



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

	Particulars	FY 2018-19	FY 2017-18
22	Contingent liabilities and capital commitments		
I	Contingent liabilities		
	(i) Income Tax Act 1961 – Assistant Commissioner of Income tax – Assessment Year 2010-11 – Rectification petition filed.	20,59,507	20,59,507
	(ii) Income Tax Act 1961 – Commissioner of income tax appeals – Assessment Year 2011-12	6,06,171	6,06,171
	Claims against the Company not acknowledged as debt		
a.	Electricity Tax on consumption & duty on generation demanded by TNEB Less: Amount of Rs.116,79,975 deposited in the High court.	3,50,39,385	3,50,39,385
b.	Company has received a demand from ONGC on 28.02.2013 for failure to consume 90% of monthly contracted quantity of gas in June 2010. The company has complied with all requirements to ONGC within the time agreed regarding such non-compliance. The company also corresponded & discussed the matter with ONGC at various meeting. The matter has to be settled by arbitration/mutual negotiation.	33,29,252	33,29,252
c.	Power generated and used for captive purpose was exempted from electricity tax by Tamilnadu Government vide GOs between 2008-10 and SEDCO had availed this exemption. However, the Electricity authority vide letter dated 21.01.2014 has demanded electricity tax of Rs.8,848,857 & interest of Rs.4,383,628 claiming that the said exemption is not applicable to SEDCO. The company, being a captive power generating unit, is of the view that it is entitled to this electricity tax exemption and has appealed to the Tamilnadu Government against this TNEB demand. The Govt. rejected the appeal vide letter dt.23.10.15. SEDCO filled a Writ petition in the High Court of Madras on 21.12.15 and as per the directions 50% of the disputed Tax amount of Rs. 4,424,429 has been remitted.	1,32,32,485	1,32,32,485
II	Capital commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
23	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	There are no overdue amounts / interest payable to Micro and Small Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006 at the Balance Sheet date.	-	-
24	Employee benefits		
a	Contribution to Superannuation fund are funded with Life Insurance Corporation of India. 15% of the basic salary of each confirmed employee is remitted to LIC on the instructions of the Holding company, which holds and manages the master policy / scheme.	4,56,401	4,02,340



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

	Particulars	FY 2018-19	FY 2017-18
b	The details of actuarial valuation in respect of gratuity liability in respect of the company are given below:		
	Ind AS 19	Projected Unit Credit Method	Projected Unit Credit Method
	Period Covered	FY 2018-19	FY 2017-18
	Change in defined benefit obligation	31-03-2019	31-03-2018
	Defined benefit obligation at beginning of period	26,34,667	23,25,125
	Service cost	1,98,972	1,96,678
	b. Past service cost	-	-
	c. (Gain) / loss on settlements	-	-
	Interest expenses	1,70,520	1,62,759
	Cash flows		
	a. Benefit payments from plan	(10,06,324)	-
	b. Benefit payments from employer	-	-
	c. Settlement payments from plan	-	-
	d. Settlement payments from employer	-	-
	Remeasurements		
	a. Effect of changes in demographic assumptions	-	-
	b. Effect of changes in financial assumptions	-	(2,37,812)
	c. Effect of experience adjustments	11,27,023	1,87,917
	Transfer In /Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
	Defined benefit obligation at end of period	31,24,859	26,34,667
	Change in fair value of plan assets	31-03-2019	31-03-2018
	Fair value of plan assets at beginning of period	13,88,150	9,56,009
	Interest income	81,689	1,82,586
	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	2,72,254	2,67,537
	(ii) Employer direct benefit payments	-	-
	(iii) Employer direct settlement payments	-	-
	b. Participant contributions	-	-
	c. Benefit payments from plan assets	(10,06,324)	-
	d. Benefit payments from employer	-	-
	e. Settlement payments from plan assets	-	-
	f. Settlement payments from employer	-	-
	Remeasurements		
	a. Return on plan assets (excluding interest income)	(81,689)	(17,982)
	Transfer In /Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
	Fair value of plan assets at end of period	6,54,080	13,88,150
	Amounts recognized in the statement of financial position	31-03-2019	31-03-2018
	Defined benefit obligation	31,24,859	26,34,667
	Fair value of plan assets	(6,54,080)	(13,88,150)
	Funded status	24,70,779	12,46,517
	Effect of asset ceiling	-	-
	Net defined benefit liability (asset)	24,70,779	12,46,517



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

	Particulars	FY 2018-19	FY 2017-18
	Components of defined benefit cost	31-03-2019	31-03-2018
	Service cost		
	a. Current service cost	1,98,972	1,96,678
	b. Past service cost	-	-
	c. (Gain) / loss on settlements	-	-
	Total service cost	1,98,972	1,96,678
	Net interest cost		
	a. Interest expense on DBO	1,70,520	1,62,759
	b. Interest (income) on plan assets	81,689	1,82,586
	c. Interest expense on effect of (asset ceiling)	-	-
	d. Total net interest cost	88,831	(19,827)
	Remeasurements (recognized in other comprehensive income)		
	a. Effect of changes in demographic assumptions	-	-
	b. Effect of changes in financial assumptions	-	(2,37,812)
	c. Effect of experience adjustments	11,27,023	1,87,917
	d. (Return) on plan assets (excluding interest income)	(81,689)	(17,982)
	e. Changes in asset ceiling (excluding interest income)	-	-
	f. Total remeasurements included in OCI	12,08,712	(31,913)
	Total defined benefit cost recognized in P&L and OCI	14,96,516	1,44,938
	Re-measurement	31-03-2019	31-03-2018
	a. Actuarial Loss/(Gain) on DBO	11,27,023	(49,895)
	b. Returns above Interest Income	(81,689)	(17,982)
	c. Change in Asset ceiling	-	-
	Total Re-measurements (OCI)	12,08,712	(31,913)
	Employer Expense (P&L)	31-03-2019	31-03-2018
	a. Current Service Cost	1,98,972	1,96,678
	b. Interest Cost on net DBO	88,831	(19,827)
	c. Past Service Cost	-	-
	d. Total P&L Expenses	2,87,804	1,76,851
c	Provident fund		
	This scheme is managed by the Regional Provident Fund Commissioner.	5,24,400	4,34,377
		FY 2018-19	FY 2017-18
d	Leave encashment		
	Non-funded leave encashment provided for management staff as per the company policy	4,67,039	2,54,301
25	Segmental Disclosure		
	The company has only one segment of business which is energy generation.		
26	a. Value of imports on CIF basis	-	-
	b. Expenditure in foreign currency	-	34,035
27	Auditors' remuneration		
	For Statutory audit	1,00,000	85,000
	For Tax audit	20,000	20,000
	Total	1,20,000	1,05,000



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

Notes to Earnings per Share (EPS)

Note No.28

There are no potential equity shares. Hence, the basic and diluted EPS are the same

Particulars	31.03.2019	31.03.2018
Net profit for the year (In Rs.)	1,93,69,741	5,06,89,222
Weighted average number of equity shares outstanding during the year	4,60,008	4,60,008
Earnings per share - Basic and Diluted	42.11	110.19
Number of equity shares at the beginning of the year	4,60,008	4,60,008
No. of equity shares at the end of the year	4,60,008	4,60,008
Weighted average No. of Equity Shares	4,60,008	4,60,008



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Note No.29

Financial Instruments

(i) Capital management

The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity shareholders of the Company. Net debt long-term and short-term borrowings (excluding derivatives and financial guarantee contracts) including current maturities of long-term borrowings and current maturities of finance obligations as reduced by cash and cash equivalents.

(ii) Categories of financial instruments

	As at	
	31.03.2019	31.03.2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Equity investments	1,52,15,835	2,56,98,610
(ii) Derivative instruments designated in hedge accounting relationship		
Measured at fair value through Other comprehensive income (FVTOCI)		
(i) Equity investments	1,00,50,45,989	85,08,66,331
Measured at amortised cost		
(a) Cash and bank balances	7,77,423	28,13,343
(b) Other financial assets at amortised cost	2,29,51,586	2,59,21,282

Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligation when due. Due to dynamic nature of underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.



Southern Energy Development Corporation Limited
Notes forming part of the Standalone financial statements for the year ended 31st March 2019
(in Indian Rupees)

Note No.29

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2019:

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial liabilities						
Borrowings and interest thereon	-	-	-	-	-	-
Finance lease liability	-	-	-	-	-	-
Current financial liabilities						
Borrowings and interest thereon	-	-	-	-	-	-
Trade payables	76,08,166	76,08,166	-	-	-	76,08,166
Finance lease liability	-	-	-	-	-	-
Other financial liabilities	1,14,556	1,14,556	-	-	-	1,14,555.69

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2018:

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial liabilities						
Borrowings and interest thereon	-	-	-	-	-	-
Finance lease liability	-	-	-	-	-	-
Current financial liabilities						
Borrowings and interest thereon	-	-	-	-	-	-
Trade payables	72,51,507	72,51,507	-	-	-	72,51,507
Finance lease liability	-	-	-	-	-	-
Other financial liabilities	1,10,121	1,10,121	-	-	-	1,10,121.00

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts (if any) as at 31 March 2019:

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial assets						
Other financial assets	86,250	-	50,000	-	36,250	86,250
Current financial assets						
Trade receivables	2,28,25,336	2,28,25,336	-	-	-	2,28,25,336
Advance to employees	40,000	40,000	-	-	-	40,000
Inter corporate deposits	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-

Southern Energy Development Corporation Limited
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(in Indian Rupees)

Note No.29

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts (if any) as at 31 March 2018:

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 years	More than 5 years	Total contracted cash flows
Non-current financial assets						
Other financial assets	85,250	-	50,000	-	35,250	85,250
Current financial assets						
Trade receivables	2,57,91,032	2,57,91,032	-	-	-	2,57,91,032
Advance to employees	45,000	45,000	-	-	-	45,000
Inter corporate deposits	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-

Fair value measurements

This note provides information about how the company determines fair value of various financial assets and financial liabilities.

Fair value of the company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at		Fair value hierarchy	Valuation Techniques & key inputs used
	As at	As at		
	31.03.2019	31.03.2018		
Investments in quoted equity instruments in holding company at FVTOCI	1,02,02,61,494	87,65,64,611	Level 1	Quoted bid price in an Active Market (refer note below)
Investments in unquoted instruments at FVTPL	330	330	level 3	FVTOCI

Note 1: These investments in equity instruments are not for trading. Instead, they are held for long term strategic purpose. Upon the application of IND AS 109, the company has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe that this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

There were no transfers between Level 1 and 2 in the period.



Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Particulars	Fair value hierarchy	As at 31.03.2019		As at 31.03.2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortised cost:					
Non-current financial assets					
Other financial assets					
Other deposit	Level 3	86,250	86,250	85,250	85,250
Current financial assets					
Trade receivables	Level 2	2,28,25,336	2,28,25,336	2,57,91,032	2,57,91,032
Other financial assets					
Advances to employees	Level 3	40,000	40,000	45,000	45,000
Inter- corporate deposit	Level 3	-	-	-	-
Other advances	Level 3	-	-	-	-
Financial liabilities held at amortised cost:					
Non-current financial liabilities					
Borrowings and interest thereon	Level 3	-	-	-	-
Finance lease and interest thereon	Level 2	-	-	-	-
Current financial liabilities					
Borrowings and interest thereon	Level 3	-	-	-	-
Trade payables	Level 2	76,08,166	76,08,166	72,51,506	72,51,506
Others financial liabilities					
Finance lease and interest thereon	Level 2	-	-	-	-
Others financial liabilities	Level 3	-	-	-	-

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

30	Changes in Accounting Policy
a.	<p>The company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of 1st of April 2018. The impact on giving cumulative effect of applying Ind AS 115 is not material and hence impact considered in retained earnings is NIL. Comparative prior period has not been adjusted.</p> <p>There is no differences in financial statement with application of Ind AS 115 as compared with the previous revenue recognition requirement.</p>



Southern Energy Development Corporation Limited

Notes forming part of the Standalone financial statements for the year ended 31st March 2019

(in Indian Rupees)

31	General
a.	The company has entered into an agreement with ONGC on 09.12.2009 for supply of natural gas and this agreement is valid for a period of ten years ending on 31.12.2019.
b.	Energy is billed to consumers (Group companies) at the rate charged by Tamil Nadu Electricity Board to these consumers.
c.	Based on the nature of the business of the Company and the normal time between the acquisition of assets and their realisation in cash and 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.

Interms of our report attached

For Jagannathan & Sarabeswaran

Chartered Accountants

FRN 001204S



Vivek Sarabeswaran

Partner

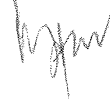
M No : 206383

Chennai

Date: 12/04/2019



For Southern Energy Development Corporation Limited



M.Muthiah
Director



Jagannathan Chakravarthi Narasimhan
Director